



Deschutes County Board of Commissioners  
1300 NW Wall St., Suite 206, Bend, OR 97701-1960  
(541) 388-6570 - Fax (541) 385-3202 - [www.deschutes.org](http://www.deschutes.org)

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## **AGENDA REQUEST & STAFF REPORT**

**For Board Business Meeting of August 12, 2015**

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**DATE:** August 4, 2015

**FROM:** Suzanna Fierstos, Health Services Phone: 322-7678  
Contract Agency Temp. Behavioral Health Division

**TITLE OF AGENDA ITEM:**

Consideration of Board Signature of Document #2015-322, Agreement between St. Charles Health System, Inc. and Deschutes County Health Services (DCHS) for the provision of secure inpatient psychiatric care to indigent residents of Deschutes, Crook and Jefferson counties at Sage View and Psychiatric Emergency Services Unit (PES).

**PUBLIC HEARING ON THIS DATE?** No

**BACKGROUND AND POLICY IMPLICATIONS:**

St. Charles operates Sage View as a secure inpatient psychiatric facility, serving residents of Central Oregon and others in need of acute psychiatric care. Since 2005, Deschutes County, on behalf of Crook and Jefferson counties, has contracted with St. Charles to ensure indigent residents of our three (3) counties have access to these services and this facility. Under the terms of this contract, St. Charles agrees to provide in-patient psychiatric services to any and all indigent residents of our three (3) counties who need short-term acute stabilization. Acute care services may include: twenty-four (24) hour supervision and nursing care; health screening or medical care; psychiatric assessment; medication management; individual and group therapy; psycho-education regarding mental health and addiction issues; family involvement; case management and transportation services between Sage View and St. Charles Hospital (Bend) as needed for medical or other services.

St. Charles also operates the PES unit, which is for short-term acute psychiatric stabilization. The PES is the only unit designed to handle violent patient behavior, acute medical needs requiring oxygen or intravenous therapies in a psychiatric condition and intense levels of acute medical service.

PES serves all ages and provides maximum safety for patients experiencing behavioral disturbances or medical conditions that require a higher level of care and safety than Sage View can provide. The PES unit's primary is for those individuals needing seclusion or for restraining individuals who have complex medical issues requiring specialized medical oversight.

**FISCAL IMPLICATIONS:**

Maximum compensation for the duration of the contract is \$523,320

**RECOMMENDATION & ACTION REQUESTED:**

Behavioral Health requests approval.

**ATTENDANCE:**

Jane Smilie, Director; or DeAnn Carr, Deputy Director

**DISTRIBUTION OF DOCUMENTS:**

Executed originals to:

Suzanna Fierstos, Contract Agency Temp., Health Services

## DESCHUTES COUNTY DOCUMENT SUMMARY

(NOTE: This form is required to be submitted with ALL contracts and other agreements, regardless of whether the document is to be on a Board agenda or can be signed by the County Administrator or Department Director. If the document is to be on a Board agenda, the Agenda Request Form is also required. If this form is not included with the document, the document will be returned to the Department. Please submit documents to the Board Secretary for tracking purposes, and not directly to Legal Counsel, the County Administrator or the Commissioners. In addition to submitting this form with your documents, please submit this form electronically to the Board Secretary.)

Please complete all sections **above** the Official Review line.

**Date:** July 28, 2015

**Department:** Deschutes County Health Services, Behavioral Health

**Contractor/Supplier/Consultant Name:** St. Charles Health System, Inc.

**Contractor Contact:** Jenn Welander **Contractor Phone #:** 541 706-7707

**Type of Document:** Personal Services Contract.

**Goods and/or Services:** Secure inpatient acute psychiatric care is provided to indigent residents of Deschutes, Crook and Jefferson counties at Sage View, a facility and program of St. Charles Health System, Inc. (St. Charles). Psychiatric Emergency Services (PES) is a five-bed licensed hold facility located off of the St. Charles Medical Center, Bend Emergency Department.

**Background & History:** St. Charles operates Sage View as a secure inpatient psychiatric facility, serving residents of Central Oregon and others in need of acute psychiatric care. Since 2005, Deschutes County, on behalf of Crook and Jefferson counties, has contracted with St. Charles to ensure indigent residents of our three (3) counties have access to these services and this facility. Under the terms of this contract, St. Charles agrees to provide in-patient psychiatric services to any and all indigent residents of our three (3) counties who need short-term acute stabilization. Acute care services may include: twenty-four (24) hour supervision and nursing care; health screening or medical care; psychiatric assessment; medication management; individual and group therapy; psycho-education regarding mental health and addiction issues; family involvement; case management and transportation services between Sage View and St. Charles Hospital (Bend) as needed for medical or other services.

St. Charles also operates the PES unit which is designed for short-term acute psychiatric stabilization. The PES unit is the only unit designed to handle violent patient behavior, acute medical needs requiring oxygen or intravenous therapies in a psychiatric condition, and intense levels of acute medical service.

PES serves all ages and is designed to provide maximum safety for patients experiencing behavioral disturbances or medical conditions that cannot be safely managed at Sage View. PES is primarily intended for individuals in need of seclusion or restraining those who have complex medical issues requiring specialized medical oversight.

Agreement Starting Date: July 1, 2015 Ending Date: June 30, 2017

Annual Value or Total Payment: Maximum compensation is \$523,320.

Insurance Certificate Received (check box)  
Insurance Expiration Date: July 1, 2016

Check all that apply:

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)
- Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

Funding Source: (Included in current budget?  Yes  No

If **No**, has budget amendment been submitted?  Yes  No

Is this a Grant Agreement providing revenue to the County?  Yes  No

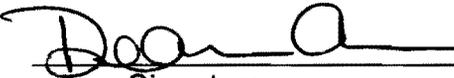
Special conditions attached to this grant:

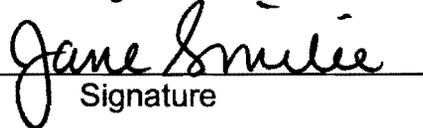
Deadlines for reporting to the grantor:

If a new FTE will be hired with grant funds, confirm that Personnel has been notified that it is a grant-funded position so that this will be noted in the offer letter:  Yes  No

Contact information for the person responsible for grant compliance: Name:   
Phone #:

Departmental Contact and Title: Suzanna Fierstos, Agency Contract Temp.  
Phone #: 541 322-7678

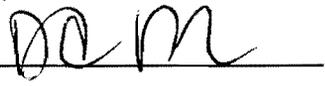
Deputy Director Approval:  7-29-15  
Signature Date

Department Director Approval:  7/31/15  
Signature Date

Distribution of Document: Return originals to Nancy Mooney, Health Services

**Official Review:**

County Signature Required (check one):  BOCC  Department Director (if <\$25K)  
 Administrator (if >\$25K but <\$150K; if >\$150K, BOCC Order No. \_\_\_\_\_)

Legal Review  Date 8/3/15

Document Number 2015-522

**From:** DeAnn Carr  
**Sent:** Friday, July 17, 2015 5:20 PM  
**To:** Suzanna Fierstos  
**Subject:** RE: St. Charles/Deschutes County Indigent Contract

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

I have reviewed the most recent draft and approve moving forward with signatures.

DeAnn

**From:** Jane Smilie  
**Sent:** Thursday, July 16, 2015 3:24 PM  
**To:** DeAnn Carr; Suzanna Fierstos  
**Subject:** FW: St. Charles/Deschutes County Indigent Contract

With Nancy gone, can you two work on this together? Jane

**From:** Shannon Dexter [<mailto:srdexter@stcharleshealthcare.org>]  
**Sent:** Thursday, July 16, 2015 2:40 PM  
**To:** Robin Henderson; Byron Okutsu; Jane Smilie; DeAnn Carr; Nancy Mooney  
**Cc:** Michael Ann Benchoff; David Inbody  
**Subject:** St. Charles/Deschutes County Indigent Contract

Hello,

Attached is the Deschutes County Service Contract Draft with all accepted changes from St. Charles. If it looks good, let me know and I can send to Jenn Welander, CFO, for signature on St. Charles side.

**Shannon Dexter, MHA**  
Contracting and Health Plan Analyst  
St. Charles Health System, Inc.  
(541) 706-5993 (direct line)  
(541) 598-3475 (fax)  
[srdexter@stcharleshealthcare.org](mailto:srdexter@stcharleshealthcare.org)

**Health Plan Administration** | 2500 NE Twin Knolls Drive | Bend, OR 97701

REVIEWED  
*dam*  
LEGAL COUNSEL



For Recording Stamp Only

**DESCHUTES COUNTY SERVICES CONTRACT  
CONTRACT NO. 2015-522**

This Contract (the "Contract") is made and entered into by and between Deschutes County, a political subdivision of the State of Oregon, acting by and through the Deschutes County Health Services Department, Behavioral Health Division, hereinafter referred to as "County," and St Charles Health System, Inc., an Oregon non-profit corporation, hereinafter referred to as "Contractor", collectively referred to as "Parties".

**Recitals**

WHEREAS, Contractor operates an acute psychiatric treatment facility (hereinafter referred to as "Sage View") and hold rooms at Contractor's locations for Psychiatric Emergency Services (hereinafter referred to as "PES") for individuals in need of behavioral health services, including indigent individuals residing in Crook, Deschutes and Jefferson Counties (collectively referred to as "Counties") and served under this Contract; and

WHEREAS, the Parties agree that a crisis center and facility for acute psychiatric care and treatment of acute behavioral health patients and hold rooms for PES is the preferred model for acute psychiatric behavioral healthcare and treatment in Central Oregon;

WHEREAS, County is authorized pursuant to ORS 430.670 to obtain, by contract, the services necessary to conduct and operate a community behavioral health and developmental disabilities program; and

WHEREAS, Contractor has obtained and shall continue to qualify for approval from the Oregon Health Authority ("OHA") for purposes of providing services under this Contract; and

WHEREAS, the Contractor is able to offer acute care and post-commitment care (as described herein) at the Sage View facility and Psychiatric Emergency Services Unit; and;

WHEREAS, County is authorized pursuant to ORS 426.241 to obtain, by contract, the emergency psychiatric care necessary for indigent residents of Crook, Deschutes and Jefferson counties; now, therefore,

IT IS HEREBY AGREED by and between the Parties above mentioned, for and in consideration of the mutual promises hereinafter stated as follows:

1. Effective Date. This Contract is effective July 1, 2015 and, except as otherwise specifically provided herein, shall expire on June 30, 2017 unless earlier terminated or renewed by agreement of the Parties. Contractor agrees that time is of the essence in the performance of this Contract.
2. Contractor's Services. Contractor shall provide the services outlined in Exhibit 1 of this Contract. Maximum compensation will be \$523,320 (Quarterly payments of \$65,415) for services outlined in Exhibit 1.
3. Regulations and Duties. Contractor shall comply with all applicable provisions of the Financial Assistance Award #147787, including applicable Service Descriptions attached thereto, in place at the time this Contract is executed and effective July 1, 2015, between the OHA and Deschutes County, as the same may be amended, replaced and/or renewed from time to time. Contractor agrees to comply with the rules and regulations of County, applicable provisions in the contract between County and the OHA, incorporated herein by reference, as of the effective date of such regulations, applicable provisions of the

Administrative Rules and Procedures of the OHA, applicable Federal regulations and all provisions of Federal and State statutes, rules and regulations relating to Contractor's performance of services under this Contract. Any act or duty of County, imposed upon County by OHA, which, by the nature of this Contract, County determines to be within the scope of this Contract and is to be performed by Contractor, Contractor shall perform on behalf of County. No federal funds may be used to provide services in violation of 42 U.S.C. 14402.

4. Notice.

- a. Any communication or notice sent by facsimile shall be deemed delivered when the transmitting machine generates receipt of the transmission. To be effective against County, such facsimile transmission shall be confirmed by telephone notice to the County Administrator.
- b. Any communication or notice, bills, and payments shall be deemed delivered five (5) days after mailing. Any notice, bills and payments under this Contract shall be mailed by first class postage or delivered as follows:

<b>Contractor:</b>	<b>Accounts Payable:</b>	<b>Notices &amp; Contracts:</b>
St. Charles Health System, Inc.	Deschutes County Health Services	Deschutes County Health Services
2500 NE Neff Road	2577 NE Courtney Drive	2577 NE Courtney Drive
Bend, OR 97701	Bend, OR 97701	Bend, OR 97701
<b>Attn: Jenn Welander, CFO</b>	<b>Attn: Loretta Gertsch</b>	<b>Attn: Nancy Tyler</b>
Phone: 541-706-7707	Phone: 541-322-7510	Phone:
Fax: 541.598.3475	Fax: 541-322-7565	Fax:
Email: jrwelander@stcharleshealthcare.org	Loretta.gertsch@deschutes.org	nancy.tyler@deschutes.org

5. Access to Records. Contractor shall maintain fiscal records and all other records pertinent to this Contract.

- a. All fiscal records shall be maintained pursuant to generally accepted accounting standards, and other records shall be maintained to the extent necessary to clearly reflect actions taken.
  - 1) Contractor shall retain and keep accessible all books, documents, papers and records that are directly related to this Contract, the funds paid to Contractor hereunder or to any services delivered hereunder, for a minimum of six (6) years, or such longer period as may be required by other provisions of this Contract or applicable law, following the termination or expiration of this Contract.
  - 2) If an audit, litigation or other action involving this Contract is started before the end of the six-year (6) period, the records shall be retained until all issues arising out of the action are resolved.
- b. County and its authorized representatives shall have the right to direct access to all of Contractor's books, documents, papers and records related to this Contract for the purpose of conducting audits and examinations and making copies, excerpts and transcripts.
  - 1) These records also include licensed software and any records in electronic form, including but not limited to computer hard drives, tape backups and other such storage devices. County shall reimburse Contractor for Contractor's cost of preparing copies.
  - 2) At Contractor's expense, the County, the Secretary of State's Office of the State of Oregon, the Federal Government, and their duly authorized representatives, shall have license to enter upon Contractor's premises to access and inspect the books, documents, papers, computer software, electronic files and any other records of the Contractor which are directly pertinent to this Contract.
  - 3) Contractor shall permit County and Oregon Health Authority to make site visits upon reasonable notice to monitor the delivery of services under this Contract.

6. Letter of Agreement.

It is understood and agreed between all Parties that in lieu of a Letter of Agreement Parties will participate in the regional acute care council and other continuum of care workgroups to further the development of acute care resources and processes. Topics addressed are anticipated to include:

- Holds;
- Handling of Commitments;
- Guardianship, 14-day diversions, extensions, appropriate utilization;
- 23-hour and 48-hour patient holds;
- Data reporting and data sharing;
- Performance metric language; and,

7. Confidentiality. In addition to the obligations imposed upon Contractor by Exhibit 3, Contractor shall maintain confidentiality of information obtained pursuant to this Contract as follows:

- a. Contractor shall not use, release or disclose any information concerning any employee, individual, applicant or person doing business with the County for any purpose not directly connected with the administration of County's or the Contractor's responsibilities under this Contract except upon written consent of the County, and if applicable, the employee, Individual, applicant or person.
- b. The Contractor shall ensure that its agents, employees, officers and subcontractors with access to County and Contractor records understand and comply with this confidentiality provision.
- c. Contractor shall treat all information as to personal facts and circumstances obtained on Medicaid eligible individuals as privileged communication, shall hold such information confidential, and shall not disclose such information without the written consent of the individual, his or her attorney, the responsible parent of a minor child, or the child's guardian, except as required by other terms of this Contract.
- d. Nothing prohibits the disclosure of information in summaries, statistical information, or other form that does not identify particular individuals.
- e. Personally identifiable health information about applicants and Medicaid recipients will be subject to the transaction, security and privacy provisions of the Health Insurance Portability and Accountability Act ("HIPAA").
- f. Contractor shall cooperate with County in the adoption of policies and procedures for maintaining the privacy and security of records and for conducting transactions pursuant to HIPAA requirements.
- g. This Contract may be amended in writing in the future to incorporate additional requirements related to compliance with HIPAA.
- h. If Contractor receives or transmits protected health information, Contractor shall enter into a Confidentiality Agreement with County, which, if attached hereto, shall become a part of this Contract.
- i. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between County and OHA for purposes directly related to the provision of Services to Individuals which are funded in whole or in part under this Contract. Contractor shall maintain the confidentiality of records of Individuals as required by applicable state and federal law, including without limitation, ORS 179-495 to 179.507, 45 CFR Part 205, 42 CFR Part 2, any administrative rule adopted by the OHA, implementing the foregoing laws, and any written policies made available to Contractor by County or by the OHA. Contractor shall create and maintain written policies and procedures related to the disclosure of an Individual's information and shall make such policies and procedures available to County and the OHA for review and inspection as reasonably requested by County or the OHA.

8. Mediation. Differences between a Contractor and County, or between contractors, will be resolved when possible at appropriate management levels, followed by consultation between boards, if necessary. Where resolution of such disputes is not achieved after consultation with the respective Boards of Contractor and County, the parties shall proceed with mediation and binding arbitration in accordance with Sections 8 and 9 of this Contract. If the Parties cannot reach agreement they shall submit the matter to mediation. The Parties shall agree upon a single mediator who is experienced in the area involving the dispute. If the Parties are unable to agree on a mediator, each Party shall submit two (2) to three (3) names of people acceptable as mediator to the Presiding Judge of the Deschutes County Circuit Court, who shall select the mediator from the list provided. Thereafter, the Parties shall participate in the mediation process in good faith. If mediation fails to resolve the issue then either Party may proceed to arbitration.
9. Arbitration. If the Parties are unable to resolve the dispute over compensation by mediation, they shall submit the matter to arbitration as follows: Either Party may at any time request final and binding arbitration of the matter, provided the Parties have first tried in good faith to settle the matter by nonbinding mediation. A Party may request arbitration by giving notice to that effect to the other Party. The dispute shall be determined in Deschutes County, Oregon, by three (3) arbitrators, one selected by each Party and the two (2) arbitrators selecting a third arbitrator. The arbitration shall be conducted in accordance with the rules of the Deschutes County Circuit Court Arbitration Program, except to the extent provided otherwise under Oregon laws on arbitration and as otherwise provided herein. All arbitrators shall be people having at least ten (10) years' experience with health or behavioral health business transactions. Each Party shall submit its position to the arbitrators, together with evidence thereon, and the arbitrators shall decide the issue and determine the prevailing Party, which decision is final. The arbitrator's fees and costs shall be shared equally by the parties. Each party shall bear its own attorney fees, expenses and costs for preparing and presenting its case to the arbitrator. On the application of either Party, the award in the arbitration may be enforced by the order of judgment of a court of competent jurisdiction.
10. Attorney Fees. In the event an action, suit or proceeding, including appeal there from, is brought for breach of any of the terms of this Contract, or for any controversy arising out of this Contract, each party shall be responsible for its own attorney's fees, expenses, costs and disbursements for said action, suit, proceeding or appeal.
11. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law.
  - a. Any claim, action, suit or proceeding (collectively, "Claim") between County and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Deschutes County for the State of Oregon; provided, however, if a Claim shall be brought in federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.
  - b. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. The Parties agree that the UN Convention on International Sales of Goods shall not apply.
12. Financial Audit. Contractor shall provide County with a copy of each and every audit which it prepares in order to comply with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
13. Recovery of Funds, Reductions in Funding and Withholding of Payments. Expenditures of Contractor may be charged to this Contract only if they: (1) are in payment for services performed under this Contract; (2) conform to applicable State and Federal regulations and statutes; (3) are in payment of an obligation incurred during the period of this Contract; and (4) when added to other compensation pursuant to this Contract are not in excess of 100% of the maximum amount detailed in Exhibit 1.
  - a. If Contractor fails to provide an acceptable audit performed by a certified public accountant for federal funds received under this Contract, or if federal authorities demand the repayment of federal funds

received under this Contract, County may recover all federal funds paid under this Contract, unless a smaller amount is disallowed or demanded.

- b. Should County discover Contractor is committing or has committed "fraud and abuse" as those terms are defined in OAR 410-120-0000, either through an audit or other means, County may recover funds paid to Contractor under this Contract. If federal authorities demand the repayment of federal funds received under this Contract and Contractor has been found willfully committing "fraud and abuse" as those terms are defined in OAR 410-120-0000, County may recover funds paid to Contractor under this Contract and any fines or penalties charged to County as a result of Contractor's actions. If the State of Oregon, disallows or requests repayment for any funds paid to Contractor under this Contract due to Contractor willfully committing "fraud and abuse" as those terms are defined in OAR 410-120-0000, County may recover funds paid to Contractor under this Contract in addition to any fines or penalties charged to County as a result of Contractor's actions. In the event that the County determines that Contractor is responsible for the repayment of any funds paid to the Contractor, in addition to any fines or penalties charged to the County due to Contractor willfully committing "fraud and abuse", Contractor agrees to make such payment within ten (10) days of notification by County.
  - c. If federal or state authorities disallows or requests repayment for any funds paid under this Contract due to Contractor's acts or omissions, Contractor shall make payment to County of the amount disallowed or requested. In the event that federal or state authorities determines that County is responsible for the repayment of any funds owed to state or federal authorities by Contractor, Contractor agrees to make such payment within ten (10) days of notification by County or federal or state authority of said determination.
  - d. Notwithstanding any other payment provision of this Contract, should Contractor fail to submit required reports or documentation as outlined in this Contract, or fail to perform or document the performance of contracted services; County shall immediately withhold payments under this Contract.
  - e. In the event that a statutorily required license or insurance is suspended or not extended, County's obligation to provide reimbursement for Services rendered without the necessary license or insurance will cease on the date of expiration or suspension of license and/or insurance.
  - f. Any funds spent by Contractor for purposes not authorized by this Contract shall either be paid directly by the Contractor to the County or, if not so paid, at the discretion of County, shall be deducted from future payments from County to the Contractor. Payments by County in excess of authorized amounts that have not been repaid by the Contractor within thirty (30) days after the Contract's expiration or after notification by the County, whichever date is earlier, shall be deducted from future payments from County to the Contractor.
  - g. Any funds awarded to the Contractor pursuant to a fee-for-service payment method under this Contract that are not obligated and/or spent within the term of this Contract shall be cancelled and revert to the County.
14. Retention of Revenue and Eamed Interest. Fees and third-party reimbursements, including all amounts paid pursuant to Title XIX of the Social Security Act by the OHA, for services rendered by Contractor, and interest earned on such funds in the possession of Contractor, shall be retained by Contractor provided that it is expended for a behavioral health service which meets the standards of the OHA.
15. Termination. All or part of this Contract may be terminated by mutual consent of both Parties, or by either Party at any time for convenience upon ninety (90) days' notice in writing to the other Party.

The County may also terminate all or part of this Contract as specified below:

- a. With thirty (30) days written notice, if funding to the County from federal, state or other sources is not obtained or is not continued at levels sufficient to allow for purchase of the indicated quantity of services. The County will give more notice whenever possible.
- b. With sixty (60) days written notice, if federal or state regulations are modified or changed in such a way that services are no longer allowable for purchase under this Contract.

- c. Upon notice of denial, revocation, or non-renewal of any letter of approval, license, or certificate required by law or regulation to be held by the Contractor to provide a service under this Contract.
- d. With thirty (30) days written notice, if Contractor fails to provide services, or fails to meet any performance standard as specified by the County in this Contract (or subsequent modifications to this Contract) within the time specified herein, or any extensions thereof.
- e. Upon written or oral notice, if County has evidence that the Contractor has endangered or is endangering the health and safety of Individuals, residents, staff, or the public.
- f. Failure of the Contractor to comply with the provisions of this Contract and all applicable federal, state and local laws and rules which may be cause for termination of this Contract. The circumstances under which this Contract may be terminated by either Party under this paragraph may involve major or minor violations. Major violations include, but are not limited to:
  - 1. Acts or omissions that jeopardize the health, safety, or security of Individuals.
  - 2. Misuse of funds.
  - 3. Intentional falsification of records.

In the case a failure to perform jeopardizes the safety and security of a client or of clients from one of the Counties' (Deschutes, Crook and Jefferson) the Contractor and the County shall jointly conduct an investigation to determine whether an emergency exists and what corrective action will be necessary. Such an investigation shall be completed within five (5) working days from the date the County determines that such failure exists.

In those circumstances where a major violation is substantiated, continued performance may be suspended by the County immediately. In all cases involving a major violation, a written notice of intent to terminate this Contractor shall be sent to OHA and Contractor found to be in violation.

Minor violations usually involve less than substantial compliance with the general or special conditions of this Contract. Continued minor violations that threaten adequacy of services may be treated like a major violation.

Prior to termination for major or minor violations, the Contractor shall be given a reasonable opportunity to refute the findings. If the problem is not corrected or remedied within thirty (30) days after County has given written notice to Contractor, or in the case the problem cannot be corrected or remedied within the thirty (30) day period the Contractor fails to commence and pursue corrective action with reasonable diligence and good faith, then County may terminate this Contract or initiate other remedial action.

Termination shall be without prejudice to any obligations or liabilities of either Party accrued prior to such termination.

- 16. Encumbrance or Expenditure after Notice of Termination. Contractor shall not make expenditures, enter into contracts, or encumber funds in its possession that belong to the County, after notice of termination or termination as set out above, without prior written approval from County. County will continue to be obligated to pay for authorized services to the date on which termination takes effect. After the date on which termination takes effect, County will have no further obligation to pay for services.
- 17. Independent Contractor. Contractor is engaged hereby as an independent contractor, and will be so deemed for purposes of the following:
  - a. Contractor will be solely responsible for payment of any federal or state taxes required as a result of this Contract.
  - b. Contractor shall be solely responsible for and shall have control over the means, methods, techniques, sequences and procedures of performing the work, and shall be solely responsible for the errors and omissions of its employees, subcontractors and agents. For goods and services to be provided under this Contract, Contractor agrees to:
    - 1. perform the work in a good, workmanlike, and timely manner;

2. comply with all applicable legal requirements;
  3. take all precautions necessary to protect the safety of all persons at or near Contractor's facilities including employees and Individuals enrolled or seeking services from Contractor and/or County;
  4. take full responsibility for wages and entitlements of Contractor's employees assigned to or furnishing services at Contractor's facilities.
- c. It is agreed by and between the Parties that Contractor is not carrying out a function on behalf of the County, OHA or State of Oregon, and County, OHA and State of Oregon do not have the right of direction or control of the manner in which Contractor delivers services under this Contract or exercise any control over the activities of Contractor. Contractor is not an officer, employee or agent of County, the State of Oregon or OHA as those terms are used in ORS 30.265.
  - d. County is not, by virtue of this Contract, a partner or joint venture with Contractor in connection with activities carried on under this Contract, and shall have no obligation with respect to Contractor's debts or any other liabilities of each and every nature. Unless Contractor is a State of Oregon governmental agency, Contractor agrees that it is an independent contractor and not an agent of the State of Oregon, the Oregon Health Authority or County.
  - e. The Contractor is an independent contractor for purposes of the Oregon Workers' Compensation law (ORS Chapter 656) and is solely liable for any Workers' Compensation coverage under this Contract.
18. Delegation, Subcontracts and Assignment. Contractor shall not delegate or subcontract any of the work required by this Contract or assign or transfer any of its interest in this Contract, without the prior written consent of County.
- a. Any subcontracts that the County may authorize, Contractor agrees to make all provisions of this Contract with the County applicable to any subcontractor performing work under this Contract. Contractors who perform the work without the assistance of labor or any employee, as determined under ORS Chapter 656 and rules adopted pursuant thereto, need not obtain Workers Compensation coverage.
  - b. Any delegation, subcontract, assignment, or transfer without prior written consent of County shall constitute a material breach of this Contract.
  - c. Any such assignment or transfer, if approved, is subject to such conditions and provisions as the County may deem necessary.
  - d. No approval by the County of any assignment or transfer of interest shall be deemed to create any obligation of the County to increase rates of payment or maximum Contract consideration.
  - e. Prior written approval shall not be required for the purchase by the Contractor of articles, supplies and services which are incidental to the provision of services under this Contract that are necessary for the performance of the work.
  - f. Any subcontracts that the County may authorize shall contain all requirements of this Contract, and unless otherwise specified by the County, the Contractor shall be responsible for the performance of the subcontractor.
19. No Third Party Beneficiaries.
- a. County and Contractor are the only Parties to this Contract and are the only Parties entitled to enforce its terms.
  - b. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.

20. Successors in Interest. The provisions of this Contract shall be binding upon and inure to the benefit of the Parties and their successors and approved assigns, if any.
21. Indemnity and Hold Harmless.
- a. To the fullest extent authorized by law Contractor shall defend, save, hold harmless and indemnify the County and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities costs and expenses of any nature resulting from or arising out of, or relating to the activities of Contractor or its officers, employees, contractors, or agents under this Contract, including without limitation any claims that the work, the work product or any other tangible or intangible items delivered to County by Contractor that may be the subject of protection under any state or federal intellectual property law or doctrine, or the County's use thereof, infringes any patent, copyright, trade secret, trademark, trade dress, mask work utility design or other proprietary right of any third party.
  - b. Contractor shall have control of the defense and settlement of any claim that is subject to subparagraph a of this paragraph; however neither contractor nor any attorney engaged by Contractor shall defend the claim in the name of Deschutes County or any department or agency thereof, nor purport to act as legal representative of the County or any of its departments or agencies without first receiving from the County's legal counsel, in a form and manner determined appropriate by the County's legal counsel, authority to act as legal counsel for the County, nor shall Contractor settle any claim on behalf of the Count without the approval of the County's legal counsel.
  - c. To the extent permitted by Article XI, Section 10, of the Oregon Constitution and subject to the limits of the Oregon Tort Claims Act, ORS 30.260 through 30.300, County shall defend, save, hold harmless and indemnify Contractor and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities costs and expenses of any nature resulting from or arising out of, or relating to the activities of County or its officers, employees, contractors, or agents under this Contract.
22. Insurance. Contractor shall provide insurance in accordance with Exhibit 2 attached hereto and incorporated by reference herein.
23. Renewal. This Contract may be renewed, subject to the following conditions: (1) renewal will be based on the County Annual Implementation Plan approved by the OHA, and (2) renewal is subject to the availability of funding.
24. Debt Limitation. This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore.
25. Compliance with provisions, requirements of funding source and Federal and State laws, statutes, rules, regulations, executive orders and policies. See Exhibit 4.
26. County Code Provisions. Except as otherwise specifically provided, the provisions of Deschutes County Code, Section 2.37.150 are incorporated herein by reference. Such code section may be found at the following URL address: <http://web1f.deschutes.org/WebLink8PUB/DocView.aspx?id=78735&dbid=0>.
27. Waiver.
- a. County's delay in exercising, or failure to exercise any right, power, or privilege under this Contract shall not operate as a waiver thereof, nor shall any single or partial exercise or any right, power, or privilege under this Contract preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
  - b. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

28. Entire Contract. This Contract constitutes the entire Contract between the parties on the subject matter hereof.
- a. All understandings and agreements between the Parties and representations by either Party concerning this Contract are contained in this Contract.
  - b. No waiver, consent, modification or change in the terms of this Contract shall bind either Party unless in writing and signed by both Parties.
  - c. Any written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.
29. Severability. If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Contract did not contain the particular term or provision held invalid.
30. Survival. The provisions of paragraphs 2 to 11, 13 to 15, 18 to 21, and 22, shall survive the termination or expiration of this Contract.
31. Representations and Warranties.
- a. Contractor represents and warrants to County that:
    1. Contractor has the power and authority to enter into and perform this Contract;
    2. This Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms;
    3. Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession;
    4. Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work;
    5. Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty; and
    6. Contractor's making and performance of this Contract do not and will not violate any provision of any applicable law, rule or regulation or order to any court, regulatory commission, board or other administrative agency.
  - b. Warranties Cumulative. The warranties set forth in this paragraph are in addition to, and not in lieu of, any other warranties provided.
32. 20-Year Dedicated Use. Notwithstanding any other provision of this Contract, Contractor and County agree that Contractor shall provide or arrange provision for an acute psychiatric treatment facility within the St. Charles Health System's service area for a period of not less than twenty (20) years (December 30, 2025). Said facility shall be operated and maintained for the principal purpose of providing a psychiatric treatment program for adult mental health patients, including indigent mental health patients who are residents of Crook, Deschutes or Jefferson Counties. This provision, as well as the provisions of paragraph below, shall survive termination of this Contract.
33. By mutual agreement between Contractor and County at time of initial contract for Sage View Acute Psychiatric Care services, an annual bed day rate increase will not exceed 5% in any calendar year through December 31, 2024. This provision, as well as the provisions of Section 30, shall survive termination of this Contract.

Dated this \_\_\_\_\_ of \_\_\_\_\_, 2015

\_\_\_\_\_  
ANTHONY DEBONE, County Commissioner, Chair

\_\_\_\_\_  
ALAN UNGER, County Commissioner, Vice Chair

\_\_\_\_\_  
TAMMY BANEY, County Commissioner

DATED this 28<sup>th</sup> day of July, 2015.

CONTRACTOR:

St. Charles Health System, Inc.



\_\_\_\_\_  
Jenn Welander, Chief Financial Officer

**EXHIBIT 1**  
**DESCHUTES COUNTY SERVICES CONTRACT**  
**Contract No. 2015-522**  
**PES & Sage View**  
**STATEMENT OF WORK, COMPENSATION**  
**PAYMENT TERMS and SCHEDULE**

**1. Principles and Considerations:**

**a. Principles:**

- i. Increase oversight and focus on diversion (when clinically appropriate). All Parties follow a process for admission authorization and utilization management for length of stay that is consistent with the Oregon Health Plan model. Exact details of standards for regional Inpatient Acute Psychiatric Care services for adults shall be determined by mutual agreement of the Directors of Counties and St. Charles Health System, Inc. ("Contractor") or the Director's designees and stipulate in writing through a Letter of Agreement as referenced in this Contract, Paragraph 6(a).
- ii. The Central Oregon Acute Care Region consists of Crook, Deschutes and Jefferson counties operating through Lutheran Community Services Northwest, Deschutes County Health Services Department and BestCare Treatment Services respectively and collectively referred to herein as "County" or "Counties" as those terms are used interchangeably. All three (3) Counties agree to the regional approach.
- iii. Deschutes County Health Services shall assume fiduciary accountability to the Oregon Health Authority for the Contract funds paid for acute care behavioral health service needs of indigent Central Oregon residents.
- iv. Each of the three (3) counties shall have designated diversion funds to assist with such things as motel cost, transportation fees, and medication costs as clinically appropriate and within financial resources.
- v. Counties and Contractor shall meet and collaborate with regards to: sharing information, claims data reconciliation, developing performance metrics and establishing a forum for regular communication.

**2. Services:** Contractor shall provide comprehensive hospital based psychiatric services to individuals age eighteen (18) **years and older** or who meet mental health medical necessity for psychiatric hospitalization and who are indigent. Indigent is defined as the following:

- i. At the time of admission, individual has no third party insurance and has no ability to pay as defined by federal guidelines; or
  - ii. At the time of admission, individual has exhausted their Medicare and/or Commercial insurance benefits for behavioral health; or
  - iii. During the course of care, individual has exhausted all ability to pay, as outlined in paragraph a. and b. of this subparagraph ii, for services under this Contract and is receiving involuntary treatment.
- a. Comprehensive, hospital based psychiatric services means those clinical activities and interventions necessary to the stabilization of the individual's psychiatric condition.
  - b. Contractor shall ensure that the quality of the services provided to individuals admitted under this Contract meets or exceeds the quality of such services provided to all hospital individuals.
  - c. Contractor shall operate in accordance with federal and state laws and the requirements of the Oregon Health Authority, the Centers for Medicaid and Medicare Services (CMS) and shall comply with applicable laws and regulations of the state of Oregon, including but not limited to OAR 309-032-0860 through OAR 309-032-0890.

**3. Specific Services:** Specifically, Contractor shall:

- a. Contractor shall admit individuals twenty-four (24) hours a day, three hundred and sixty-five (365) days a year, subject to bed availability, and make every effort to admit all individuals to its psychiatric unit who are authorized to receive the services described herein. Contractor shall notify County Designee

immediately regarding any impediment that materially affects Contractor's ability to provide IAPC services.

- b. Contractor shall provide emergency medical care if needed. Contractor shall promptly notify County Designee if such care requires a transfer from Contractor's facility.
- c. Contractor agrees to not charge Counties for transport costs between the Psychiatric Emergency Services unit at St. Charles Health System, Inc. and Sage View.
- d. Collaborate with County Designee with regards to level of care and discharge planning as agreed upon in the Letter of Agreement, referenced in this Contract, Paragraph 6(a).
- e. Contractor shall collaborate with Director's Designee to determine utilization outcomes under this Contract.
- f. Contractor shall permit Director's Designees on-site access to individuals, medical records, and Contractor staff providing care to individuals served under this Contract.
- g. Contractor shall comply with generally accepted practices and procedures for coordination of benefits and third party liability recovery and assist the Director's Designee and any other state agencies with such efforts.
- h. Parties shall collaborate in the resolution of grievances, including timely response to a request for information regarding such matters.
- i. Contractor shall maintain in good standing all licenses, permits, certifications and accreditations required by law and regulation at all times during the term of this Contract. Contractor shall require all agents, employees and all subcontractors have and maintain in good standing all licenses, permits, certifications and accreditations required by law and regulation and upon request, provide Director's Designee with written evidence of the existence and good standing of all aforementioned licenses, permits, certifications and accreditation. Contractor shall make every effort to notify the Director's Designee as soon as possible but not later than five (5) business days whenever action of any kind is initiated against Contractor such as: (a) the suspension, restriction or loss of the Contractor's or subcontractor's license, permit, certification or accreditation, or (b) the imposition of any sanctions against any of the foregoing under Medicaid or any other government program; and Contractor shall immediately notify Director's Designee if any such action is initiated against any subcontractor.
- j. Contractor shall track all admissions and inpatient stays that utilize funding under this Contract and collaborate with the Director's Designee on reconciliation for individuals whose inpatient stay was covered under this Contract.

#### **5. Payment for Services:**

- a. Maximum Compensation. The Maximum compensation for services outlined in this Exhibit 1 is **\$523,320**. County shall make quarterly payments as outlined below.
- b. Contractor agrees to the payment methodology outlined in Exhibit 1 of this Contract to provide medically necessary inpatient psychiatric hospitalization services at Sage View and Psychiatric Emergency Services Unit (PES) to all indigent individuals residing in Crook, Deschutes, and Jefferson counties who require admission.
- c. Contractor agrees that payments will cover charges associated with the admission of indigent individuals for Sage View and PES services, including but not limited to room rate, associated staff time and professional fees (including psychiatrist/MD), psychiatric medications, lab work and medical care.
- d. Contractor and Counties agree the compensation will include all bed days excluding day of discharge.

- e. Parties agree funds may only be used for the delivery of the service or services set out in this Contract unless written permission is granted to use the funds for other services in accordance with this Contract.
- f. Parties agree this payment arrangement for 2013-15 requires Contractor to comply with the conditions outlined in this Exhibit 1 and to collaborate in good faith in the execution of the Letter of Agreement referenced in this Contract, Paragraph 6(a).
- g. Parties agree that County shall make quarterly payments of **\$65,415** up to the maximum compensation of **\$523,320**

**EXHIBIT 2  
 DESCHUTES COUNTY SERVICES CONTRACT  
 Contract No. 2015-522  
INSURANCE REQUIREMENTS**

Contractor shall at all times maintain in force at Contractor's expense, each insurance noted below. Insurance coverage must apply on a primary or non-contributory basis. All insurance policies, except Professional Liability, shall be written on an occurrence basis and be in effect for the term of this contract. Policies written on a "claims made" basis must be approved and authorized by Deschutes County.

**Workers Compensation** insurance must be in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027 to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Worker's Compensation Insurance to cover claims made under Worker's Compensation, disability benefit or any other employee benefit laws, including statutory limits in any state of operation with coverage B Employer's Liability coverage all at the statutory limits. In the absence of statutory limits the limits of said Employers liability coverage shall not be less than \$1,000,000 each accident, disease and each employee. This insurance must be endorsed with a waiver of subrogation endorsement, waiving the insured's right of subrogation against County.

**Professional Liability** insurance with an occurrence combined single limit of not less than:

Per Occurrence limit	Annual Aggregate limit
<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$2,000,000
<input type="checkbox"/> \$2,000,000	<input type="checkbox"/> \$3,000,000
<input checked="" type="checkbox"/> \$4,000,000	<input checked="" type="checkbox"/> \$4,000,000

Professional Liability insurance covers damages caused by error, omission, or any negligent acts related to professional services provided under this Contract. The policy must provide extended reporting period coverage, sometimes referred to as "tail coverage" for claims made within two years after this Contract is completed.

Required by County                       Not required by County (one box must be checked)

**Commercial General Liability** insurance with a combined single limit of not less than:

<u>Per Single Claimant and Incident</u>	<u>All Claimants Arising from Single Incident</u>
<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$2,000,000
<input type="checkbox"/> \$2,000,000	<input type="checkbox"/> \$3,000,000
<input checked="" type="checkbox"/> \$4,000,000	<input checked="" type="checkbox"/> \$4,000,000

Commercial General Liability insurance includes coverage for personal injury, bodily injury, advertising injury, property damage, premises, operations, products, completed operations and contractual liability. The insurance coverages provided for herein must be endorsed as primary and non-contributory to any insurance of County, its officers, employees or agents. Each such policy obtained by Contractor shall provide that the insurer shall defend any suit against the named insured and the additional insureds, their officers, agents, or employees, even if such suit is frivolous or fraudulent. Such insurance shall provide County with the right, but not the obligation, to engage its own attorney for the purpose of defending any legal action against County, its officers, agents, or employees, and that Contractor shall indemnify County for costs and expenses, including reasonable attorneys' fees, incurred or arising out of the defense of such action.

Required by County                       Not required by County (One box must be checked)

**Automobile Liability** insurance with a combined single limit of not less than:

Per Occurrence

- \$1,000,000
- \$2,000,000
- \$3,000,000

Automobile Liability insurance coverage for bodily injury and property damage resulting from operation of a motor vehicle. Commercial Automobile Liability Insurance shall provide coverage for any motor vehicle (symbol 1 on some insurance certificates) driven by or on behalf of Contractor during the course of providing services under this Contract. Commercial Automobile Liability is required for contractors that own business vehicles registered to the business. Examples include: plumbers, electricians or construction contractors. An Example of an acceptable personal automobile policy is a contractor who is a sole proprietor that does not own vehicles registered to the business.

Required by County       Not required by County (one box must be checked)

**Additional Insured.** The Commercial General Liability insurance and Automobile Liability insurance must include the Deschutes County, the State of Oregon, their officers, employees, volunteers and agents as Additional insureds but only with respect to Contractor's activities to be performed under this Contract. Coverage must be primary and non-contributory with any other insurance and self-insurance. The additional insured endorsement shall not include declarations that reduce any per occurrence or aggregate insurance limit. The Contractor shall provide additional coverage based on any outstanding claim(s) made against policy limits to ensure that minimum insurance limits required by the County are maintained. The additional insurance protection shall extend equal protection to County as to Contractor or subcontractors and shall not be limited to vicarious liability only or any similar limitation. To the extent any aspect of this Paragraph shall be deemed unenforceable, then the additional insurance protection to County shall be narrowed to the maximum amount of protection allowed by law.

**Additional Requirements.** Contractor shall pay all deductibles and self-insured retentions. A cross-liability clause or separation of insured's condition must be included in all commercial general liability policies required by this Contract. Contractor's coverage will be primary in the event of loss.

**Certificate of Insurance Required.** Contractor shall furnish a current Certificate of Insurance to the County with the signed Contract. Contractor shall notify County in writing at least thirty (30) days in advance of any cancellation, termination, material change, potential exhaustion of aggregate limits of non-renewal of the required insurance coverage(s) or reduction of limits of the insurance coverage. The Certificate shall also state the deductible or, if applicable, the self-insured retention level. Contractor shall be responsible for any deductible or self-insured retention. If requested, completed copies of insurance policies shall be provided to County.

**Tail Coverage.** If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, Contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Contract, for a minimum of twenty-four (24) months following the later of : (i) Contractor's completion and County 's acceptance of all Services required under this Contract or, (ii) the expiration of all warranty periods provided under this Contract. Notwithstanding the foregoing twenty-four (24) month requirement, if Contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the twenty-four (24) month period described above, then Contractor may request and OHA may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If OHA approval is granted, the Contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

Risk Management

BY:

\_\_\_\_\_  
Signature

Name: Ken Harms  
Type Name

Title: Loss Prevention Specialist

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

- 2.4 "Secretary" means the Secretary of the United States Department of Health and Human Services or any other officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.
- 2.5 "Services" means the services outlined in Exhibit 1, attached to this Contract.
- 2.6 "Use" (whether capitalized or not and including the other forms of the word) means, with respect to PHI, the sharing, employment, application, utilization, transmission, examination, or analysis of such information to, from or within Contractor's organization.

### **3. AGREEMENT**

Contractor shall:

- 3.1 not use PHI except as necessary to provide the Services.
- 3.2 not disclose PHI to any third party without County's prior written consent.
- 3.3 not use or disclose PHI except as required by law.
- 3.4 implement appropriate safeguards to prevent unauthorized use or disclosure of PHI.
- 3.5 comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of EPHI other than as provided for by this Agreement.
- 3.6 mitigate, as much as possible, any harmful effect of which it is aware of any use or disclosure of PHI in violation of this Agreement.
- 3.7 promptly report to County any use or disclosure of PHI not permitted by this Agreement of which Contractor becomes aware.
- 3.8 make its internal practices, books, and records (including the pertinent provisions of this Agreement) relating to the use and disclosure of PHI, available to the Secretary for the purposes of determining County's compliance with HIPAA.
- 3.9 return to County, or destroy, any PHI of County still in Contractor's possession upon conclusion or termination of the Services.
- 3.10 ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of the Contractor agree to the same restrictions, conditions, and requirements that apply to the Contractor with respect to security and privacy of such information.
- 3.11 make PHI available to County as necessary to satisfy County's obligation with respect to individuals' requests for copies of their PHI, as well as make available PHI for amendments (and incorporate any amendments, if required) and accountings.
- 3.12 make any amendment(s) to PHI in a designated record set as directed or agreed to by the County pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy County's obligations under 45 CFR 164.526.
- 3.13 to the extent the Contractor is to carry out one or more of County's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the County in the performance of such obligation(s).

- 3.14 If Contractor (a) becomes legally compelled by law, process, or order of any court or governmental agency to disclose PHI, or (b) receives a request from the Secretary to inspect Contractor's books and records relating to the use and disclosure of PHI, Contractor, to the extent it is not legally prohibited from so doing, shall promptly notify County and cooperate with County in connection with any reasonable and appropriate action County deems necessary with respect to such PHI.
- 3.15 If any part of Contractor's performance of business functions involves creating, receiving, storing, maintaining, or transmitting EPHI:
- A. implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, stores, maintains, or transmits on behalf of County, in accordance with the requirements of 45 CFR Part 160 and Part 164, Subparts A and C; and
  - B. report to County any security incident relating to the EPHI that Contractor maintains for County.

#### **4. HIPAA DATA BREACH NOTIFICATION AND MITIGATION**

- 4.1 Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any "breach" of "unsecured PHI" as those terms are defined by 45 C.F.R. §164.402 (hereinafter a "HIPAA Breach"). The parties acknowledge and agree that 45 C.F.R. §164.404, as described below in this Section, governs the determination of the date of a HIPAA Breach. Contractor will, following the discovery of a HIPAA Breach, notify County immediately and in no event later than seven business days after Contractor discovers such HIPAA Breach, unless Contractor is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations.
- 4.2 For purposes of reporting a HIPAA Breach to County, the discovery of a HIPAA Breach shall occur as of the first day on which such HIPAA Breach is known to the Contractor or, by exercising reasonable diligence, would have been known to the Contractor. Contractor will be considered to have had knowledge of a HIPAA Breach if the HIPAA Breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the HIPAA Breach) who is an employee, officer or other agent of the Contractor. No later than seven business days following a HIPAA Breach, Contractor shall provide County with sufficient information to permit County to comply with the HIPAA Breach notification requirements set forth at 45 C.F.R. §164.400, *et seq.*
- 4.3 Specifically, if the following information is known to (or can be reasonably obtained by) Contractor, Contractor will provide County with: (i) contact information for individuals who were or who may have been impacted by the HIPAA Breach; (ii) a brief description of the circumstances of the HIPAA Breach, including its date and the date of discovery; (iii) a description of the types of unsecured PHI involved in the HIPAA Breach; (iv) a brief description of what the Contractor has done or is doing to investigate the HIPAA Breach, mitigate harm to the individual impacted by the HIPAA Breach, and protect against future HIPAA Breaches; and (v) a liaison (with contact information) so that Contractor may conduct further investigation concerning the HIPAA Breach. Following a HIPAA Breach, Contractor will have a continuing duty to inform County of new information learned by Contractor regarding the HIPAA Breach, including but not limited to the information described herein.
- 4.4 Data Breach Notification and Mitigation Under Other Laws. In addition to the requirements above, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach of individually identifiable information (including but not limited to PHI, and referred to hereinafter as "Individually Identifiable Information") that, if misused, disclosed, lost or stolen, Contractor believes would trigger an obligation under one or more State data breach notification laws (each a "State Breach") to notify the individuals who are the subject of the information.

4.5 Breach Indemnification. Contractor shall indemnify, defend and hold County harmless from and against any and all actual losses, liabilities, damages, costs and expenses (collectively, "Information Disclosure Claims") arising directly from (i) the use or disclosure of Individually Identifiable Information (including PHI) in violation of the terms of this Agreement or applicable law, and (ii) any HIPAA Breach of unsecured PHI and/or any State Breach of Individually Identifiable Information. Contractor will assume the defense of any Information Disclosure Claim; County may participate, at its expense, in the defense of such Information Disclosure Claim. Contractor shall not take any final action with respect to any Information Disclosure Claim without the prior written consent of County.

**5. OTHER PROVISIONS**

- 5.1 A breach under this Agreement shall be deemed to be a material default in Contractor's agreement with Deschutes County to provide Services.
- 5.2 Contractor authorizes termination of this Agreement by County if County determines Contractor has violated a material term of this Agreement.
- 5.3 Upon conclusion or termination of the Services, Contractor shall promptly return or destroy all PHI that Contractor maintains in any form and retain no copies of such information. If the return or destruction of such PHI is not feasible, the obligations under this Agreement shall continue in effect for so long as Contractor retains such information, and any further use or disclosure of such PHI shall be limited to those purposes that make the return or destruction of the PHI infeasible.
- 5.4 To the extent there are any inconsistencies between this Agreement and the terms of any other agreement, either written or oral, between County and Contractor, the terms of this Agreement shall prevail.

Contractor  
BY:   
\_\_\_\_\_  
Signature  
Name: Jenn Welander  
Type Name  
Title: Chief Financial Officer  
Date: Jul 28, 2015

Deschutes County  
BY: \_\_\_\_\_  
Signature  
Name: \_\_\_\_\_  
Type Name  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit 4**  
**DESCHUTES COUNTY SERVICES CONTRACT**  
**Contract No. 2015-522**

**Compliance with provisions, requirements of funding source and  
Federal and State laws, statutes, rules, regulations, executive orders and policies.**

**Contractor shall comply with the following federal requirements. For the purposes of this Contract, all references to federal and state laws are references to federal and state laws as they may be amended from time to time.**

- 1. Miscellaneous Federal Provisions.** Contractor shall comply with all federal laws, regulations, and executive orders applicable to the Contract or to the delivery of Services. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract: (a) Title VI and VII of the Civil Rights Act of 1964, as amended, (b) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, (f) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended, (g) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, (h) all regulations and administrative rules established pursuant to the foregoing laws, (i) all other applicable requirements of federal civil rights and rehabilitation statutes, rules and regulations, and (j) all federal law governing operation of Community Mental Health Programs, including without limitation, all federal laws requiring reporting of Client abuse. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Agreement and required by law to be so incorporated. No federal funds may be used to provide Services in violation of 42 U.S.C. 14402.
- 2. Equal Employment Opportunity.** If this Contract, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in U.S. Department of Labor regulations (41 CFR Part 60).
- 3. Clean Air, Clean Water, EPA Regulations.** If this Contract, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 7606), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (2 CFR Part 1532), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to OHA, United States Department of Health and Human Services and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include in all contracts with subcontractors receiving more than \$100,000, language requiring the subcontractor to comply with the federal laws identified in this section.
- 4. Energy Efficiency.** Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act 42 U.S.C. 6201 et. seq. (Pub. L. 94-163).
- 5. Truth in Lobbying.** By signing this Contract, the Contractor certifies under penalty of perjury that the following statements are true to the best of the Contractor's knowledge and belief that:
  - a. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
  - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the Contractor shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

- c. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.
  - d. This certification is a material representation of fact upon which reliance was placed when this Contract was made or entered into. Submission of this certification is a prerequisite for making or entering into this Contract imposed by section 1352, Title 31 of the U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
  - e. No part of any federal funds paid to Contractor under this Contract shall be used other than for normal and recognized executive legislative relationships for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the United States Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government.
  - f. No part of any federal funds paid to Contractor under this Agreement shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the United States Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.
  - g. The prohibitions in subsections (b) and (c) of this section shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.
  - h. No part of any federal funds paid to Contractor under this Contract may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act except for normal and recognized executive congressional communications. This limitation shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.
- 6. Resource Conservation and Recovery.** Contractor shall comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 U.S.C. 6901 et. seq.). Section 6002 of that Act (codified at 42 U.S.C. 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Part 247.
- 7. Audits.** Contractor shall comply, with applicable Code of Federal Regulations (CFR) governing expenditure of federal funds including, but not limited to, if a contractor expends \$500,000 or more in Federal funds (from all sources) in its fiscal year beginning prior to December 26, 2014, a contractor shall have a single organization-wide audit conducted in accordance with the Single Audit Act. If a contractor expends \$750,000 or more in federal funds (from all sources) in a fiscal year beginning on or after December 26, 2014, it shall have a single organization-wide audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Copies of all audits must be submitted to OHA within thirty (30) days of completion. If a contractor expends less than \$500,000 in Federal funds in a fiscal year beginning prior to December 26,

2014, or less than \$750,000 in a fiscal year beginning on or after that date, it is exempt from Federal audit requirements for that year. Records must be available for review or audit by appropriate officials.

- 8. Debarment and Suspension.** County shall not permit any person or entity to be a contractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12549 and No. 12689, "Debarment and Suspension". (See 2 CFR Part 180). This list contains names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Contractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 9. Drug-Free Workplace.** Contractor shall comply with the following provisions to maintain a drug-free workplace: (i) Contractor certifies that it will provide a drug-free workplace by publishing a statement notifying its employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, except as may be present in lawfully prescribed or over-the-counter medications, is prohibited in Contractor's workplace or while providing Services to OHA clients. Contractor's notice shall specify the actions that will be taken by Contractor against its employees for violation of such prohibitions; (ii) Establish a drug-free awareness program to inform its employees about: the dangers of drug abuse in the workplace, County's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations; (iii) Provide each employee to be engaged in the performance of Services under this Contract a copy of the statement mentioned in paragraph (i) above; (iv) Notify each employee in the statement required by paragraph (i) above that, as a condition of employment to provide services under this Contract, the employee will: abide by the terms of the statement, and notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction; (v) Notify OHA within ten (10) days after receiving notice under subparagraph (iv) above from an employee or otherwise receiving actual notice of such conviction; (vi) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted as required by Section 5154 of the Drug-Free Workplace Act of 1988; (vii) Make a good-faith effort to continue a drug-free workplace through implementation of subparagraphs (i) through (vii) above; (ix) Neither County, Contractor nor any of County's or Contractor's employees, officers, agents may provide any Service required under this Contract while under the influence of drugs. For purposes of this provision, "under the influence" means: observed abnormal behavior or impairments in mental or physical performance leading a reasonable person to believe the County or Contractor's employee, officer, agent has used a controlled substance, prescription or non-prescription medication that impairs the County or Contractor, County or Contractor's employees, officers, agents performance of essential job function or creates a direct threat to OHA clients or others. Examples of abnormal behavior include, but are not limited to: hallucinations, paranoia or violent outbursts. Examples of impairments in physical or mental performance include, but are not limited to: slurred speech, difficulty walking or performing job activities; and (x) Violation of any provision of this section may result in termination of this Contract.
- 10. Pro-Children Act.** Contractor shall comply with the Pro-Children Act of 1994 (codified at 20 U.S.C. Section 6081 et. seq.).
- 11. Medicaid Services.** To the extent Contractor provides any service in which costs are paid in whole or in part by Medicaid, Contractor shall comply with all applicable federal and state laws and regulation pertaining to the provision of Medicaid Services under the Medicaid Act, Title XIX, 42 U.S.C. Section 1396 et. seq., including without limitation:

  - a. Keep such records as are necessary to fully disclose the extent of the services provided to individuals receiving Medicaid assistance and shall furnish such information to any state or federal agency responsible for administering the Medicaid program regarding any payments claimed by such person or institution for providing Medicaid Services as the state or federal agency may from time to time request. 42 U.S.C. Section 1396 a(a)(27); 42 CFR Part 431.107(b)(1) & (2).
  - b. Comply with all disclosure requirements of 42 CFR Part 1002.3(a) and 42 CFR 455 Subpart (B).
  - c. Maintain written notices and procedures respecting advance directives in compliance with 42 U.S.C. Section 1396(a)(57) and (w), 42 CFR Part 431.107(b)(4), and 42 CFR Part 489 subpart I.

- d. Certify when submitting any claim for the provision of Medicaid Services that the information submitted is true, accurate and complete. Contractor shall acknowledge Contractor's understanding that payment of the claim will be from federal and state funds and that any falsification or concealment of a material fact may be prosecuted under federal and state laws.
  - e. Entities receiving \$5 million or more annually (under this Contract and any other Medicaid agreement) for furnishing Medicaid health care items or services shall, as a condition of receiving such payments, adopt written fraud, waste and abuse policies and procedures and inform employees, contractors and agents about the policies and procedures in compliance with Section 6032 of the Deficit Reduction Act of 2005, 42 U.S.C. § 1396a(a)(68).
- 12. ADA.** Contractor shall comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 U.S.C. 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the delivery of Services.
- 13. Agency-Based Voter Registration.** If applicable, Contractor shall comply with the Agency-based Voter Registration sections of the National Voter Registration Act of 1993 that require voter registration opportunities be offered where an individual may apply for or receive an application for public assistance.
- 14. Disclosure.**
- a. 42 CFR Part 455.104 requires the State Medicaid agency to obtain the following information from any contractor of Medicaid or CHIP services, including fiscal agents of providers and managed care entities: (1) the name and address (including the primary business address, every business location and P.O. Box address) of any person (individual or corporation) with an ownership or control interest in the provider, fiscal agent or managed care entity; (2) in the case of an individual, the date of birth and Social Security Number, or, in the case of a corporation, the tax identification number of the entity, with an ownership interest in the provider, fiscal agent or managed care entity or of any subcontractor in which the provider, fiscal agent or managed care entity has a 5% or more interest; (3) whether the provider, fiscal agent, or managed care entity is related to another person with ownership or control interest in the provider, fiscal agent or managed care entity as a spouse, parent, child or sibling; (4) the name of any other provider, fiscal agent or managed care entity in which an owner of the provider, fiscal agent or managed care entity has an ownership or control interest; and, (5) the name, address, date of birth and Social Security Number of any managing employee of the provider, fiscal agent or managed care entity.
  - b. 42 CFR Part 455.434 requires as a condition of enrollment as a Medicaid or CHIP provider, to consent to criminal background checks, including fingerprinting when required to do so under state law, or by the category of the provider based on risk of fraud, waste and abuse under federal law. As such, a provider must disclose any person with a 5% or greater direct or indirect ownership interest in the provider whom has been convicted of a criminal offense related to that person's involvement with the Medicare, Medicaid, or title XXI program in the last 10 years.
  - c. OHA reserves the right to take such action required by law, or where OHA has discretion, it deems appropriate, based on the information received (or the failure to receive) from the provider, fiscal agent or managed care entity.
- 15. Special Federal Requirements Applicable to Addiction Services.**
- a. Women's or Parent's Services. If Contractor provides A&D 61 and A&D 62 Services, Contractor must:
    - (1) Treat the family as a unit and admit both women or parent and their children if appropriate.
    - (2) Provide or arrange for the following services to pregnant women and women with dependent children:
      - (a) Primary medical care, including referral for prenatal care;
      - (b) Pediatric care, including immunizations, for their children;

- (c) Gender-specific treatment and other therapeutic interventions, e.g. sexual and physical abuse counseling, parenting training, and child care.
  - (d) Therapeutic interventions for children in custody of women or parent in treatment, which address, but are not limited to, the children's developmental needs and issues of abuse and neglect; and
  - (e) Appropriate case management services and transportation to ensure that women or parents and their children have access to the services in (a) through (d) above.
- b. Pregnant Women. If Contractor provides any A&D Services other than A&D 70 A&D 80, A&D 81 or A&D 82 Services, Contractor must:
- (1) Within the priority categories, if any, set forth in a particular Service Description, give preference in admission to pregnant women in need of treatment who seek, or are referred for, and would benefit from, such services;
  - (2) Perform outreach to inform pregnant women of the availability of treatment services targeted to them and the fact that pregnant women receive preference in admission to these programs;
  - (3) If Contractor has insufficient capacity to provide treatment services to a pregnant woman, refer the women to another provider with capacity or if no available treatment capacity can be located the outpatient provider that the individual is enrolled with will ensure that Interim Services are being offered. If the individual is not enrolled in outpatient treatment and is on a waitlist for residential treatment, the Provider from the county of the individual's residence that is referring the individual to residential services will make available counseling on the effects of alcohol and drug use on the fetus within forty-eight (48) hours, including a referral for prenatal care.
- c. Intravenous Drug Abusers. If Contractor provides any A&D Services other than A&D 70 A&D 80, A&D 81 or A&D 82 Services, Contractor must:
- (1) Within the priority categories, if any, set forth in a particular Service Description and subject to the preference for pregnant women described above, give preference in admission to intravenous drug abusers;
  - (2) Programs that receive funding under the grant and that treat individuals for intravenous substance abuse, upon reaching 90 percent of its capacity to admit individuals to the program, must provide notification of that fact to the State within seven days.
  - (3) If Contractor receives a request for admission to treatment from an intravenous drug abuser, Contractor must, unless it succeeds in referring the individual to another provider with treatment capacity, admit the individual to treatment not later than:
    - (a) 14 days after the request for admission to Contractor is made; or
    - (b) 120 days after the date of such request if no provider has the capacity to admit the individual on the date of such request and, if interim services are made available not less than 48 hours after such request.
- d. Infectious Diseases. If Contractor provides any A&D Services other than A&D 70, A&D 80, A&D 81 or A&D 82 Services, Contractor must:
- (1) Complete a risk assessment for infectious disease including Human Immunodeficiency Virus (HIV) and tuberculosis, as well as sexually transmitted diseases, based on protocols established by OHA, for every individual seeking Services from County; and
  - (2) Routinely make tuberculosis services available to each individual receiving Services for alcohol/drug abuse either directly or through other arrangements with public or non-profit entities and, if Contractor denies individual admission on the basis of lack of capacity, refer the individual to another provider of tuberculosis Services.

(3) For the purposes of (2) above, "tuberculosis services" means:

- (a) Counseling the individual with respect to tuberculosis;
- (b) Testing to determine whether the individual has contracted such disease and testing to determine the form of treatment for the disease that is appropriate for the individual; and
- (c) Appropriate treatment services.

e. OHA Referrals. If Contractor provides any A&D Services other than A&D 70 services, Contractor must, within the priority categories, if any, set forth in a particular Service Description and subject to the preference for pregnant women and intravenous drug users described above, give preference in A&D service delivery to persons referred by OHA.

f. Barriers to Treatment. Where there is a barrier to delivery of an A&D Service due to culture, gender, language, illiteracy, or disability, Contractor shall develop support services available to address or overcome the barrier, including:

- (1) Providing, if needed, hearing impaired or foreign language interpreters.
- (2) Providing translation of written materials to appropriate language or method of communication.
- (3) Providing devices that assist in minimizing the impact of the barrier.
- (4) Not charging clients for the costs of measures, such as interpreters, that are required to provide nondiscriminatory treatment.

g. Misrepresentation. Contractor shall not knowingly or willfully make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or Services for which payments may be made of OHA.

h. Oregon Residency. A&D Services funded through this Contract, except for A&D 80, A&D 81 and A&D 82 may only be provided to residents of Oregon. Residents of Oregon are individuals who live in Oregon. There is no minimum amount of time an individual must live in Oregon to qualify as a resident so long as the individual intends to remain in Oregon. A child's residence is not dependent on the residence of his or her parents. A child living in Oregon may meet the residency requirement if the caretaker relative with whom the child is living is an Oregon resident.

i. Tobacco Use. If Contractor has A&D Services treatment capacity that has been designated for children, adolescents, pregnant women, and women with dependent children, Contractor must implement a policy to eliminate smoking and other use of tobacco at the facilities where the Services are delivered on the grounds of such facilities.

j. Client Authorization. Contractor must comply with 42 CFR Part 2 when delivering an Addiction Service that includes disclosure of Client information for purposes of eligibility determination. Contractor must obtain Client authorization for disclosure of billing information, to the extent and in the manner required by 42 CFR Part 2, before a Disbursement Claim is submitted with respect to delivery of an Addiction Service to that individual.

**16. Community Mental Health Block Grant.** All funds, if any, awarded under this Contract for MHS 20, MHS 22, MHS 37 or MHS 38 Services are subject to the federal use restrictions and requirements set forth in Catalog of Federal Domestic Assistance Number 93.958 and to the federal statutory and regulatory restrictions imposed by or pursuant to the Community Mental Health Block Grant portion of the Public Health Services Act, 42 U.S.C. 300x-1 et. seq., and Contractor shall comply with those restrictions.

**17. Substance Abuse Prevention and Treatment.** To the extent Contractor provides any Service whose costs are paid in whole or in part by the Substance Abuse, Prevention, and Treatment Block Grant, Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and

Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 U.S.C. 300x through 300x-66). Regardless of funding source, to the extent Contractor provides any substance abuse prevention or treatment services, Contractor shall comply with the confidentiality requirements of 42 CFR Part 2.

**Exhibit 5**  
**DESCHUTES COUNTY SERVICES CONTRACT**  
**Contract No. 2015-522**

**REQUIRED PROVIDER CONTRACT PROVISIONS**

**Oregon Health Authority Exhibit H of 2015-2017 Intergovernmental Agreement**

1. **Expenditure of Funds.** Contractor may expend the funds paid to Contractor under this Contract solely on the delivery of services as described in Exhibit 1 of this Contract ("Services"), subject to the following limitations (in addition to any other restrictions or limitations imposed by this Contract):
  - a. Contractor may not expend on the delivery of Services any funds paid to Contractor under this Contract in excess of the amount reasonable and necessary to provide quality delivery of Services.
  - b. If this Contract requires Contractor to deliver more than one service, Contractor may not expend funds paid to Contractor under this Contract for a particular service on the delivery of any other service.
  - c. If this Contract requires Contractor to deliver alcohol, drug abuse and addiction services, Contractor may not use the funds paid to Contractor under this Contract for such services:
    - (1) To provide inpatient hospital services;
    - (2) To make cash payments to intended recipients of health services;
    - (3) To purchase or improve land, to purchase, construct or permanently improve (other than minor remodeling) any building or other facility or to purchase major medical equipment;
    - (4) To satisfy any requirement for expenditure of non-federal funds as a condition for receipt of federal funds (whether the federal funds are received under this Contract or otherwise);
    - (5) To carry out any program prohibited by section 245(b) of the Health Omnibus Programs Extension Act of 1988 (codified at 42 U.S.C. 300ee(5)).
  - d. Contractor may expend funds paid to Contractor under this Contract only in accordance with federal OMB Circulars or 45 CFR Part 75 as applicable on Allowable Costs.
2. **Records Maintenance, Access and Confidentiality.**
  - a. **Access to Records and Facilities.** County, the Oregon Health Authority, the Secretary of State's Office of the State of Oregon, the Federal Government, and their duly authorized representatives shall have access to the books, documents, papers and records of Contractor that are directly related to this Contract, the funds paid to Contractor hereunder, or any services delivered hereunder for the purpose of making audits, examinations, excerpts, copies and transcriptions. In addition, Contractor shall permit authorized representatives of County and the Oregon Health Authority to perform site reviews of all services delivered by Contractor hereunder.
  - b. **Retention of Records.** Contractor shall retain and keep accessible all books, documents, papers, and records, that are directly related to this Contract, the funds paid to Contractor hereunder or to any services delivered hereunder, for a minimum of six (6) years, or such longer period as may be required by other provisions of this Contract or applicable law, following the termination or expiration of this Contract. If there are unresolved audit or other questions at the end of the six-year period, Contractor shall retain the records until the questions are resolved.

- c. **Expenditure Records.** Contractor shall document the expenditure of all funds paid to Contractor under this Contract. Unless applicable federal law requires Contractor to utilize a different Accounting system, Contractor shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit County and the Oregon Health Authority to verify how the funds paid to Contractor under this Contract were expended.
- d. **Client Records.** Unless otherwise specified in this Contract, Contractor shall create and maintain a client record for each client who receives services under this Contract. The client record must contain:
  - (1) Client identification;
  - (2) Problem assessment;
  - (3) Treatment, training and/or care plan;
  - (4) Medical information when appropriate; and
  - (5) Progress notes including service termination summary and current assessment or evaluation instrument as designated by the Oregon Health Authority in administrative rules.

Contractor shall retain client records in accordance with OAR 166-150-0005 through 166-150-0215 (State Archivist). Unless OAR 166-150-0005 through 166-150-0215 requires a longer retention period, client records must be retained for a minimum of six (6) years from termination or expiration of this Contract.

- e. **Safeguarding of Client Information.** Contractor shall maintain the confidentiality of client records as required by applicable state and federal law, including without limitation, ORS 179.495 to 179.507, 45 CFR Part 205, 42 CFR Part 2, any administrative rule adopted by the Oregon Health Authority, implementing the foregoing laws, and any written policies made available to Provider by County or by the Oregon Health Authority. Contractor shall create and maintain written policies and procedures related to the disclosure of client information, and shall make such policies and procedures available to County and the Oregon Health Authority for review and inspection as reasonably requested by County or the Oregon Health Authority.
- f. **Data Reporting.**  
All individuals receiving services with funds provided under this Contract must enroll and maintain that client's record maintained in the:

Measures and Outcome Tracking System (MOTS) as specified in AMH's MOTS Reference Manual located at: <http://www.oregon.gov/oha/amh/pages/compass/electronic-data-capture.aspx>, as may be revised from time to time.

- 3. **Alternative Formats of Written Materials.** In connection with the delivery of Services, Contractor shall:
  - a. Make available to an Individual, without charge to the Individual, upon the Individual's, the County's or the Oregon Health Authority's request, any and all written materials in alternate, if appropriate, formats as required by the Oregon Health Authority's administrative rules or by the Oregon Health Authority's written policies made available to Contractor.
  - b. Make available to an Individual, without charge to the Individual, upon the Individual's, County's or the Oregon Health Authority's request, any and all written materials in the prevalent non-English languages in the area served by Contractor.

- c. Make available to an Individual, without charge to the Individual, upon the Individual's, County's or the Oregon Health Authority's request, oral interpretation services in all non-English languages in the area served by Contractor.
  - d. Make available to an Individual with hearing impairments, without charge to the Individual, upon the Individual's, County's or the Oregon Health Authority's request, sign language interpretation services and telephone communications access services. For purposes of the foregoing, "written materials" includes, without limitation, all written materials created or delivered in connection with the services and all subcontractor contracts related to this Contract.
- 4. Reporting Requirements.** Contractor shall prepare and furnish the following information to County and the Oregon Health Authority when a service is delivered under this Contract:
- a. Individual, service and financial information as specified in the applicable Service Description attached hereto and incorporated herein by this reference.
  - b. All additional information and reports that County or the Oregon Health Authority reasonably requests, including, but not limited to, the information or disclosures described in Exhibit 6, Required Federal Terms and Conditions, Section 14, Disclosure.
- 5. Compliance with Law.** Contractor shall comply with all state and local laws, regulations, executive orders and ordinances applicable to the Contract or to the delivery of services hereunder. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract:
- (a) all applicable requirements of state civil rights and rehabilitation statutes, rules and regulations;
  - (b) all state laws governing operation of community mental health programs, including without limitation, all administrative rules adopted by the Oregon Health Authority related to community mental health programs or related to client rights, OAR 943-005-0000 through 943-005-0070, prohibiting discrimination against individuals with disabilities;
  - (c) all state laws requiring reporting of abuse of an Individual; (d) ORS 659A.400 to 659A.409, ORS 659A.145 and all regulations and administrative rules established pursuant to those laws in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the delivery of services under this Contract. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract and required by law to be so incorporated. All employers, including Contractor, that employ subject workers who provide services in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. In addition, Contractor shall comply, as if it were County thereunder, with the federal requirements set forth in Exhibit G to the certain 2015-2017 Intergovernmental Agreement for the Financing of Community Addictions and Mental Health Services between County and the Oregon Health Authority dated as of July 1, 2015, which Exhibit is incorporated herein by this reference. For purposes of this Contract, all references in this Contract to federal and state laws are references to federal and state laws as they may be amended from time to time.
- 6.** Unless Contractor is a State of Oregon governmental agency, Contractor agrees that it is an independent contractor and not an agent of the State of Oregon, the Oregon Health Authority or County.
- 7.** To the fullest extent permitted by applicable law, Contractor shall defend (in the case of the state of Oregon and the Oregon Health Authority, subject to ORS Chapter 180), save and hold harmless the State of Oregon, the Oregon Health Authority, County, and their officers, employees, and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of or relating to the operations of the Contractor, including but not limited to the activities of Contractor or its officers, employees, subcontractors or agents under this Contract.

8. Contractor understands that Contractor may be prosecuted under applicable federal and state criminal and civil laws for submitting false claims, concealing material facts, misrepresentation, falsifying data system input, other acts of misrepresentation, or conspiracy to engage therein.
9. Contractor shall only conduct transactions that are authorized by the County for transactions with the Oregon Health Authority that involve County funds directly related to this Contract.
10. Contractor(s) that are not units of local government as defined in ORS 190.003 shall obtain, at Contractor's expense, and maintain in effect with respect to all occurrences taking place during the term of the Contract, insurance requirements as specified in Exhibit 2 of this Contract.
11. Contractor(s) that are not units of local government as defined in ORS 190.003, shall indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Provider or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the Contractor from and against any and all Claims.
12. Contractor shall include sections 1 through 11, in substantially the form set forth above, in all permitted Contractor contracts under this Contract.

## CONFIRMATION OF COVERAGE – AIG

### EXCESS HEALTH CARE PROFESSIONAL & UMBRELLA LIABILITY INSURANCE

<b>Named Insured:</b>	St. Charles Health System, Inc.
<b>Insurance Carrier:</b>	Lexington Insurance Company – AIG (non-admitted)
<b>A.M. Best Rating:</b>	A (Excellent) XV (Financial Size Category: \$2 Billion or greater)
<b>Insurance Coverage:</b>	Excess Healthcare Professional Liability and Healthcare Umbrella Liability – Claims Made
<b>Policy Form:</b>	Excess Healthcare Professional Liability – Claims Made Coverage Part, Form 79251 (07/03) Healthcare Umbrella Policy – Claims Made Coverage Part, Form 79254 (07/03) Excess Healthcare Professional Liability and Healthcare Umbrella Liability Policy General Policy Provisions and Conditions, Form 79255 908/09)
<b>Policy Number:</b>	6792944
<b>Policy Period:</b>	01 July 2014 to 01 July 2016
<b>Retroactive Date:</b>	01 July 2004
<b>Annual Premium:</b>	<u>2014-2015:</u> \$950,663 + surplus lines taxes & fees of \$21,880.25 = \$972,543.25 <u>2015-2016:</u> \$950,663 + surplus lines taxes & fees of \$21,880.25 = \$972,543.25
<b>TOTAL Premium:</b>	\$1,901,326 + surplus lines taxes & fees of \$43,745.50 = <b>\$1,945,071.50 (Includes TRIA)</b>

Coverage Section	Limits of Liability	Retention
<b>Policy Aggregate</b>	<b>\$10,000,000 Each Claim / \$12,000,000 Aggregate</b> Defense Expenses are outside the limit of liability Limits of Liability are reinstated each policy term	Refer to Underlying
Excess Healthcare Professional Liability	\$10,000,000 each claim / \$12,000,000 aggregate	-
Healthcare Umbrella Liability	\$10,000,000 each occurrence / \$12,000,000 aggregate	-
Crisis Response Coverage Extension	\$250,000 Aggregate Crisis Response Costs Limit \$50,000 Aggregate Crisis Management Loss Limit	\$0/Nil

Coverage(s)	Underlying Limits of Liability	Retention
Healthcare Professional Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial General Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Employee Benefits Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial Automobile Liability	\$1,000,000 Combined Single Loss	\$1,000
Healthcare Professional Liability Volunteers in Medicine	\$500,000 Each Claim / \$3,000,000 Aggregate	\$10,000
Liquor Liability	\$1,000,000 Common Cause / \$1,000,000 Aggregate	\$1,000

**Risk Management Resources:**

- Risk Management Reimbursement expenses capped at \$5,000 for 2-Year Policy Term (\$2,500 annually)
- Global Loss Prevention will provide risk consulting services at all 4 campuses

**Terms and Conditions:**

- Global Loss Prevention will provide risk consulting services at all 4 campuses.
- Minimum Earned Premium 25%
- Blanket Locum Tenens Coverage up to 90 days

<b>Endorsements</b>		<i>The following endorsements are in addition to the standard policy language:</i>
<b>Form Number (Ed.)</b>	<b>Endorsement Name</b>	
1. 80037 (05/02)	Terrorism Premium Endorsement	
2. 83789 (01/04)	Extended Reporting Period Amendatory Endorsement	
3. 115718 (07/13)	Economics Sanctions Endorsement	
4. 74778 (06/08)	Minimum Earned Premium Endorsement	
5. 79567 (05/02)	Additional Insured Endorsement – Lessors of Premises & Lessors of Leased Equipment	
6. 79569 (05/02)	Schedule of Named Insureds	
7. 79557 (10/03)	Employee Benefit Administration Liability Endorsement Claims Made – Healthcare Umbrella Coverage Part	
8. 83783 (01/04)	Additional Insureds – Physicians	
9. 74779 (05/02)	Schedule of Excluded Individuals (any pilot or aircrew member, not directly providing HCP services)	
10. 57699 (06/93)	Additional Insured Coverage	
11. 83797 (01/04)	Good Samaritan Endorsement	
12. 83798 (01/04)	Locum Tenens Endorsement	
13. 84197 (03/04)	Volunteer Healthcare Provider Endorsement	
14. 94483 (05/07)	Healthcare Umbrella Policy Claims Made Coverage Part Occurrence Exceptions Endorsement	
15. 104382 (05/11)	Crisis Response Coverage Extension Endorsement	
16. 94487 (05/07)	Additional Insureds Endorsement	
17. Manuscript (06/14)	Consent to Settle Endorsement	
18. Manuscript (06/14)	Additional Insureds Endorsement – Primary & Non-Contributory (Deschutes County, its Officers, Agents, Employees and Volunteers)	
19. Manuscript (06/14)	Schedule of Physicians	
20. Manuscript (06/14)	Batch/Related Medical Incident Endorsement	
21. Manuscript (06/14)	Additional Insured Endorsement – Primary & Non-Contributory (State of Oregon, Lane County and its divisions, and their respective commissioners, officers, agents and employees as additional insureds)	
22. Manuscript (06/14)	Coverage Territory Amendatory Endorsement	
23. Manuscript (06/14)	Two Year Policy Term & Auditable Premium Endorsement	

## CONFIRMATION OF COVERAGE – ZURICH

### EXCESS HEALTH CARE PROFESSIONAL & UMBRELLA LIABILITY INSURANCE

**Named Insured:** St. Charles Health System, Inc.

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**Insurance Carrier:** Steadfast Insurance Company – Zurich (non-admitted)

**A.M. Best Rating:** A+ (Superior) XV (Financial Size Category: \$2 Billion or greater)

**Insurance Coverage:** Excess Healthcare Professional Liability – Claims Made

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**Policy Form:** Health Care Excess Liability Policy General Policy Provisions, Form U-HCU-493-ACW (12/98)  
Health Care Excess Liability Declaration Page, Form STF-HCU-D-141-A CW (11/92)  
Form and Endorsement Schedule, Form U-HCU-D-396-A CW (10/98)

**Policy Period:** 01 July 2015 to 01 July 2016

**Retroactive Date:** 01 July 2004 / Various per schedule with Company

**Annual Premium:** \$70,035 + surplus lines taxes & fees of \$1,625.81 = **\$ 71,660.81** (Same as Expiring)

**Policy Number:** HPC 0173698 01

Coverage Section	Limits of Liability	Retention
Policy Aggregate	<b>\$10,000,000 Each Claim / \$10,000,000 Aggregate</b> Defense Expenses are within the limit of liability	Refer to Underlying

Coverage(s)	Underlying Limits of Liability	Retention
<b>TOTAL Underlying Limits:</b>	<b>\$10,000,000 Each Claim / \$12,000,000 Aggregate</b>	
Excess Healthcare Professional Liability	\$10,000,000 each claim / \$12,000,000 aggregate	-
Healthcare Umbrella Liability	\$10,000,000 each occurrence / \$12,000,000 aggregate	-
Healthcare Professional Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial General Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Employee Benefits Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial Automobile Liability	\$1,000,000 Combined Single Loss	\$1,000
Healthcare Professional Liability Volunteers in Medicine	\$500,000 Each Claim / \$3,000,000 Aggregate	\$10,000
Liquor Liability	\$1,000,000 Common Cause / \$1,000,000 Aggregate	\$1,000

**Terms and Conditions:**

- TRIA Included
- Minimum Earned Premium 25%

<b>Endorsements</b>	
<i>The following endorsements are in addition to the standard policy language:</i>	
<b>Form Number (Ed.)</b>	<b>Endorsement Name</b>
1. U-HCU-126-A CW (11/92)	Directors and Officers Exclusion
2. U-HCU-507-A CW (12/98)	Insured's Duties in the Event of Loss, Claim or Suit – Medical Incidents Endorsement
3. U-HCU-909-A CW (02/13)	Underlying Insurance Amendment
4. STF-GU-199-B CW (01/09)	Important Notice – Service of Suit and in Witness Clause
5. U-GU-630-D (01/15)	Disclosure of Important Information Relating to Terrorism Risk Insurance Act
6. U-GU-766-B CW(01/15)	Notice – Important Changes Relating to Terrorism Risk Insurance Act
7. U-GU-767-B-CW (01/15)	Cap on Losses from Certified Acts of Terrorism
8. U-GU-1191-A CW (03/15)	Sanctions Exclusion Endorsement
9. U-HCU-909-A CW (02/13)	Underlying Insurance Amendment

## CONFIRMATION OF COVERAGE – IRONSHORE

### EXCESS HEALTH CARE PROFESSIONAL & UMBRELLA LIABILITY INSURANCE

<b>Named Insured:</b>	St. Charles Health System, Inc.
<b>Insurance Carrier:</b>	Ironshore Specialty Insurance Company (non-admitted)
<b>A.M. Best Rating:</b>	A+ (Superior) XIV (Financial Size Category: \$1.5 Billion to \$2 Billion)
<b>Insurance Coverage:</b>	Excess Healthcare Professional Liability – Claims Made
<b>Policy Form:</b>	Follow Form Excess Policy, Form IHFFXS.001 (04/08)
<b>Policy Period:</b>	01 July 2015 to 01 July 2016
<b>Retroactive Date:</b>	01 July 2004 / Various per schedule with Company
<b>Annual Premium:</b>	\$60,000 + surplus lines taxes & fees of \$1,395.00 = <b>\$61,395.00</b> (Same as Expiring)
<b>Policy Number:</b>	000443906

Coverage Section	Limits of Liability	Retention
Policy Aggregate	<b>\$10,000,000 Each Claim / \$10,000,000 Aggregate</b> Defense Expenses are within the limit of liability	Refer to Underlying

Coverage(s)	Underlying Limits of Liability	Retention
<b>TOTAL Underlying Limits:</b>	<b>\$20,000,000 Each Claim / \$22,000,000 Aggregate</b>	
Excess Healthcare Professional Liability	\$20,000,000 each claim / \$22,000,000 aggregate	-
Healthcare Umbrella Liability	\$20,000,000 each occurrence / \$22,000,000 aggregate	-
Healthcare Professional Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial General Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Employee Benefits Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial Automobile Liability	\$1,000,000 Combined Single Loss	\$1,000
Healthcare Professional Liability Volunteers in Medicine	\$500,000 Each Claim / \$3,000,000 Aggregate	\$10,000
Liquor Liability	\$1,000,000 Common Cause / \$1,000,000 Aggregate	\$1,000

#### Risk Management Resources:

Ironshore Risk Management Budget: \$2,500

- IronHealth provides “Risk Management Dollars” for insureds to be allocated toward the purchase of risk management products and services from the providers of their choice. IronHealth actively establishes partnerships with leading Healthcare Risk Management Providers to secure access to quality programs, many at discounted pricing.
- Risk Management Services available range from provider and staff education, to software solutions for event reporting and response, policy resources and risk assessment capabilities.
- IronHealth preferred providers include: AHSRM, ECRI Institute, MRM Group, RL Solutions, Reputation Partners and the Sullivan Group.
- Healthcare IT dollars may be applied to data analytical resources directly related to quality and performance initiatives
- Access to Webinars. The schedule and details can be found <http://www.westernlitigation.com/ironshore>

**Terms and Conditions:**

- TRIA Included at No Additional Premium
- No Minimum Earned Premium

<b>Endorsements</b>		<i>The following endorsements are in addition to the standard policy language:</i>
<b>Form Number (Ed.)</b>	<b>Endorsement Name</b>	
1. IHFFXS.END.125 (11/14)	Additional Coverage Endorsement	
2. HFFXS-END.158 (11/14)	Ebola Expense Reimbursement	
3. IHFFXS.025 (02/12)	Charitable Services Coverage	
4. IHFFXS.032 (08/08)	Grace Period for Notice of Circumstances upon Renewal of Policy – with Continuity	
5. IHFFXS.012 (07/08)	Not Follow Form of Underlying Endorsement – as respects: <ol style="list-style-type: none"> <li>a. 2 year policy term, and</li> <li>b. St. Charles Loss Retrospective Return Premium</li> </ol>	
6. OFAC.END.001 (11/14)	OFAC Compliance Notice	
7. TBD	Cyber Exclusion	

## CONFIRMATION OF COVERAGE – ENDURANCE

### EXCESS HEALTH CARE PROFESSIONAL & UMBRELLA LIABILITY INSURANCE

<b>Named Insured:</b>	St. Charles Health System, Inc.
<b>Insurance Carrier:</b>	Endurance American Specialty Insurance Company (non-admitted)
<b>A.M. Best Rating:</b>	A+ (Superior) XV (Financial Size Category: \$2 Billion or greater)
<b>Insurance Coverage:</b>	Excess Healthcare Professional Liability – Claims Made
<b>Policy Form:</b>	Healthcare Follow Form Declaration Page, Form HLC 0002 (10/08) Healthcare Follow Form Excess Policy, Form HCP 0203 (10/08)
<b>Policy Period:</b>	01 July 2015 to 01 July 2016
<b>Retroactive Date:</b>	01 July 2004 / Various per schedule with Company
<b>Retained Limit:</b>	\$50,000
<b>Annual Premium:</b>	\$42,500 + surplus lines taxes & fees of \$992.50 = <b>\$43,492.50</b> (Same as Expiring)
<b>Policy Number:</b>	HLC10007348200

Coverage Section	Limits of Liability	Retention
Policy Aggregate	<b>\$10,000,000 Each Claim / \$10,000,000 Aggregate</b> Defense Expenses are within the limit of liability	Refer to Underlying

Coverage(s)	Underlying Limits of Liability	Retention
<b>TOTAL Underlying Limits:</b>	<b>\$30,000,000 Each Claim / \$32,000,000 Aggregate</b>	
Excess Healthcare Professional Liability	\$10,000,000 each claim / \$12,000,000 aggregate	-
Healthcare Umbrella Liability	\$10,000,000 each occurrence / \$12,000,000 aggregate	-
Healthcare Professional Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial General Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Employee Benefits Liability Self-Insured Retention	\$500,000 Each Claim / \$3,000,000 Aggregate	-
Commercial Automobile Liability	\$1,000,000 Combined Single Loss	\$1,000
Healthcare Professional Liability Volunteers in Medicine	\$500,000 Each Claim / \$3,000,000 Aggregate	\$10,000
Liquor Liability	\$1,000,000 Common Cause / \$1,000,000 Aggregate	\$1,000

<b>Endorsements</b>		<i>The following endorsements are in addition to the standard policy language:</i>
Form Number (Ed.)	Endorsement Name	
1. IL 1008 (02/13)	Signature Page	
2. HLC 0101 (06/06)	Forms and Endorsement Schedule	
3. HLC 0102 (06/06)	Schedule of Underlying Policies	
4. HLC 1204 901/08)	Cap on Losses from Certified Acts of Terrorism	
5. HLC 1301 (05/12)	Service of Suit Endorsement	
6. PN0001 904/07)	OFAC	
7. HLC 1312 901/08)	Disclosure Pursuant to Terrorism Risk Insurance Act (If Elected)	
8. HLC 1311 (01/08)	Disclosure Pursuant to Terrorism Risk Insurance Act (If Rejected)	
9. SN OR (04/05)	Surplus Lines (Oregon)	

<b>Endorsements</b>	
<i>The following endorsements are in addition to the standard policy language:</i>	
<b>Form Number (Ed.)</b>	<b>Endorsement Name</b>
10. HLC 0105 (12/08)	Named Insured Extension Endorsement
11. HLC 1001 (06/06)	Non-Following Form (Endorsement 1 of Expiring Policy)
12. Manuscript (06/15)	<p>Not Follow Form of Lexington Insurance Companies:</p> <ul style="list-style-type: none"> <li>▪ Incurred Loss Retrospective Return Premium Plan</li> <li>▪ Two Year Policy Payable on Annual Installment Basis</li> <li>▪ Crisis Response Coverage Extension Endorsement</li> </ul> <p>Not Follow Form of Ironshore Specialty Insurance Companies:</p> <ul style="list-style-type: none"> <li>▪ Charitable Services Coverage Endorsement</li> <li>▪ Additional Coverages Endorsement</li> </ul>