

## PART II

### STATEMENT OF WORK, TERMS AND CONDITIONS

#### **I. Term and Approval**

This Agreement shall become effective October 1, 2003 or on the date at which both parties have signed this Agreement and this Agreement has been approved for legal sufficiency by the Oregon Department of Justice, whichever is later, and shall continue in effect, unless otherwise terminated or extended, through September 30, 2004. No work may be performed under this Agreement prior to its effective date.

If DHS wishes to amend this Agreement to extend its effectiveness beyond its current expiration date, DHS shall give Contractor notice, by certified mail, of its desire to extend prior to the expiration date. DHS will provide Contractor with as much advance notice (up to 60 calendar days) as reasonably possible of its desire to extend the effectiveness of this Agreement beyond its current expiration date. Within 14 calendar days of receiving notice, Contractor shall give DHS written notice of its intent regarding extension of this Agreement. In order for any extension of this Agreement to be effective, the extension must be signed by the parties prior to the expiration of this Agreement or any extension thereof and all necessary State of Oregon approvals must be obtained, including approval by the Department of Justice, if required.

#### **II. Interpretation and Administration of Agreement**

A. DHS may adopt reasonable and lawful policies, procedures, rules and interpretations to promote orderly and efficient administration of this Agreement. In interpreting this Agreement, its terms and conditions shall be construed as much as possible to be complementary, giving preference to Parts I and II of the Agreement over any exhibits or attachments. In the event that DHS needs to look outside of this Agreement, exhibits, and attachments for purposes of interpreting its terms, DHS shall consider the following sources in the order listed:

1. The Grant Award Letters from the Centers for Medicare and Medicaid Services (CMS) for operation of the Oregon Reform

Demonstration (Oregon Health Plan (OHP) Medicaid Demonstration Project), including all special terms and conditions and waivers.

2. The Federal Medicaid Act, Title XIX of the Social Security Act, and its implementing regulations except as waived by CMS for the OHP Medicaid Demonstration Project and the State Children's Health Insurance Program (SCHIP), Title XXI of the Social Security Act, as amended and administered in Oregon by DHS.
  3. The Oregon Revised Statutes concerning the OHP.
  4. Oregon Administrative Rules related to the OHP Medicaid Demonstration Project and State Children's Health Insurance Program concerning mental health Services promulgated by DHS.
  5. Other applicable Oregon statutes and DHS administrative rules concerning the Medical Assistance Program under prepaid capitated plans and Fee-For-Service (FFS) arrangements.
  6. Other applicable Oregon statutes and DHS administrative rules concerning mental health Services.
- B. If Contractor believes that any provision of this Agreement, or DHS's interpretation thereof, is in conflict with federal or state statutes or regulations, Contractor shall notify OMHAS in writing immediately.

Any provision of this Agreement which is in conflict with Federal Medicaid statutes, regulations, or CMS policy guidance shall be amended to conform to the provision of those laws, regulations and federal policy.

- C. If Contractor disputes any interpretation, action or decision of DHS concerning this Agreement, including sanctions, recovery, or overpayment actions, Contractor may request an administrative review as described below.

1. Administrative Review

Contractor shall send the request for administrative review to OMHAS Supervising Representative with a postmark within 30 calendar days of the effective date or announcement date,

whichever is last, of DHS's interpretation, action or decision which prompted the administrative review request. Contractor must specify the interpretations, actions or decisions being appealed and the reason(s) for the appeal on each interpretation, action or decision. The appeal shall include any new information or descriptions of actions that will support a change of the original interpretation(s), action(s), or decision(s). Within 60 calendar days of receiving the request for an administrative review, OMHAS Supervising Representative, or designee, shall do the following: determine which interpretations, actions or decisions will be reviewed; grant or deny an administrative review; notify Contractor of the date, time, and location of any applicable administrative review meeting; and issue to Contractor a written decision resulting from the administrative review, if any.

2. Contested Case Hearings

Within 30 calendar days of receiving a denial of the request for an administrative review or of receiving an administrative review decision, Contractor may make a written request for a contested case hearing.

Contractor shall send the request for a contested case hearing to OMHAS Supervising Representative, or designee, with a postmark not later than 30 calendar days following the date of notice of adverse decision resulting from the administrative review process. Contested case hearings shall follow the process described in OAR 410-120-1720, Provider Appeals – Hearing Evidence, through OAR 410-120-1840, Provider Hearings-Role of the Hearing Officer, except that such hearings shall be heard by the Hearings Officer Panel or other independent hearings officer designated by DHS.

- D. Contractor shall notify its Subcontractors and Participating Providers of Contractor's process for resolving issues related to this Agreement.

### **III. Administrative Rules and Applicable Law**

Contractor shall comply with all federal, state and local laws, rules and regulations applicable to the work performed under this Agreement, including, but not limited to, all applicable federal and state civil rights and rehabilitation statutes, rules and regulations. Without limiting the generality of the foregoing sentence, Contractor shall comply with all duly promulgated DHS Rules in OAR chapter 309, made applicable by this Agreement, and applicable DHS Rules in OAR Chapter 410 whether in effect at the time this Agreement is signed or adopted or amended during the term of this Agreement. This includes those rules pertaining to the provision of prepaid capitated health care and Services, OAR Chapter 410, Division 141.

Contractor shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127.649, Patient Self-Determination Act. Contractor shall use Oregon Department of Consumer and Business Services approved forms to record compliance with this requirement.

### **IV. Enrollment and Disenrollment**

#### **A. Enrollment**

1. Enrollment is the process by which DHS signs on with a particular contractor those individuals who have been determined to be eligible for Services under the OHP Medicaid Demonstration Project and State Children's Health Insurance Program. DHS shall sign on such individuals with contractor selected by the individual. If an eligible individual does not select a contractor, DHS may, pursuant to OAR 410-141-0060, Oregon Health Plan Managed Care Enrollment Requirements, elect to assign the person to a contractor selected by DHS. DHS has no obligation to enroll with Contractor any individual who has not selected a contractor. Contractor shall have an open Enrollment period at all times, during which Contractor shall accept, without restriction, all eligible individuals in the order in which they apply and are signed on with Contractor by DHS, unless Contractor is also a Fully Capitated Health Plan (FCHP) and DHS and Contractor have jointly closed Enrollment because Contractor maximum

Enrollment limit has been reached or for any other reason mutually agreed to by DHS and Contractor under the FCHP Agreement.

Contractor shall not discriminate in coverage or Enrollment against any eligible individual on the basis of mental health status or need for Covered Services, on the basis of other Disabling Conditions, or on the basis of race, color, or national origin. Contractor shall not use any policy or practice that has the effect of discrimination on the basis of race, color, or national origin.

2. An individual becomes an OHP Member for purposes of this Agreement as of the date of Enrollment with Contractor, and as of that date, Contractor shall provide all Covered Services to such individual as required by the terms of this Agreement. For persons who are enrolled on the same day as they are admitted to the hospital, Contractor shall be responsible for said hospitalization. If the person is enrolled after the first day of inpatient stay, the person shall be Disenrolled, and the date of Enrollment shall be the next available Enrollment date following discharge from inpatient hospital Services.
3. Enrollment of individuals with Contractor shall occur on a weekly and monthly basis as described in OAR 410-141-0060, Oregon Health Plan Managed Care Enrollment Requirements.
4. DHS shall make available to Contractor Enrollment data files via an electronic bulletin board . Enrollment data files appearing on the bulletin board shall remain there until deleted and replaced with the most recent Enrollment data files resulting from the weekly or monthly Enrollment cutoff and compilations process. For the weekly Enrollment process, an Enrollment data file of new and disenrolled OHP Members shall appear on the electronic bulletin board Thursday morning of each week. For the monthly Enrollment process, Enrollment data files of new, closed and ongoing OHP Members for the next month shall appear on the electronic bulletin board three working days following the date of monthly Enrollment cutoff. An Enrollment listing shall be made available to Contractor by the 5<sup>th</sup> of the month in which the Enrollments are applicable.

**B. Disenrollment**

1. An individual is no longer an OHP Member eligible for Covered Services under this Agreement as of the effective date of the OHP Member's Disenrollment from Contractor, and as of that date, Contractor is no longer required to provide Services to such individual under this Agreement.
2. An OHP Member may be disenrolled from Contractor in accordance with OAR 410-141-0080, Oregon Health Plan Disenrollment from Prepaid Health Plans. Contractor or the Psychiatric Security Review Board (PSRB) may request Disenrollment of an OHP Member under the jurisdiction of PSRB. OMHAS approval is required for Disenrollment requests of Contractor or PSRB for OHP Members under PSRB jurisdiction.
3. The effective date of Disenrollment shall be the date determined in accordance with OAR 410-141-0080, Oregon Health Plan Disenrollment from Prepaid Health Plans. For OHP Members under PSRB jurisdiction who are approved for Disenrollment at the request of Contractor or PSRB, the effective date of Disenrollment may be made retroactive to the date the OHP Member was enrolled with Contractor or placed under PSRB jurisdiction, whichever is more recent.
4. If DHS disenrolls an OHP Member retroactively, any Capitation Payments received by Contractor for that OHP Member after the effective date of Disenrollment shall be handled as described in Part II, Section VII, Consideration, Subsection E, Settlement of Accounts.

**V. Statement of Work**

The Oregon Health Plan (OHP) has been restructured with the passage of House Bill 2519 which authorized application to the Center for Medicare and Medicaid Services (CMS) to amend and expand the current demonstration project under Section 1115 of the Social Security Act. The restructured OHP program in its entirety is referred to as "OHP2". OHP2 has three components, OHP Plus, OHP Standard and Family Health Insurance Assistance Program.

A. Benefit Package

Contractor shall provide Covered Services to OHP Members consistent with OAR 410-141-0120, Oregon Health Plan Prepaid Health Plan Provision of Health Care Services; OAR 410-141-0520, Prioritized List of Health Services; and OAR 410-141-0480, Oregon Health Plan Benefit Package of Covered Services.

1. Flexible Services

When delivering a Flexible Service (as opposed to using a Flexible Service Approach) and the Provider rendering a Flexible Service is not licensed or certified by a state board or licensing agency, or employs personnel to provide the Service who do not meet the definition for Qualified Mental Health Associate (QMHA) or Qualified Mental Health Professional (QMHP) as described in Exhibit K, Definitions, Provider must meet criteria described in Part II, Section V, Statement of Work, Subsection N, Item 1.a.(2) Credentialing process.

2. Provision of Covered Services

- a. Contractor shall provide reimbursement for Covered Services obtained outside its Service Area when such Covered Services are not available within its Service Area.
- b. Contractor shall exclude or limit Covered Services in accordance with OAR 410-141-0500, Excluded Services and Limitations for Oregon Health Plan Clients.
- c. Contractor shall provide all Covered Services to OHP Members but may require, except in an emergency, that OHP Members obtain such Covered Services from Contractor or Providers affiliated with Contractor. Contractor shall adjudicate Valid Claims within 45 calendar days of receipt. Contractor shall ensure that neither DHS nor the OHP Member receiving Services are held liable for any costs or charges related to Covered Services rendered to an OHP Member whether in an Emergency or otherwise.

- d. Contractor's obligation to pay for Emergency Services that are received from non-Participating Providers is limited to Covered Services that are needed immediately and the time required to reach Contractor or a Participating Provider (or alternatives authorized by Contractor) would have meant substantial risk to the OHP Member's health or safety or the health or safety of another.
  - (1) Covered Services following the provision of Emergency Services are considered to be Emergency Services as long as transfer of the OHP Member to Contractor or a Participating Provider or the designated alternative is precluded because of risk to the OHP Member's health or safety or that of another because transfer would be unreasonable, given the distance involved in the transfer and the nature of the mental health condition.
  - (2) Contractor is responsible for arranging for transportation and transfer of the OHP Member to Contractor's care when it can be done without harmful consequences.
  
- e. Contractor shall pay for Covered Services needed to assess an Emergency Situation. If Contractor has a reasonable basis to believe that Covered Services claimed to be Emergency Services were not in fact Emergency Services, Contractor may deny payment for such Services. Such Services shall not be considered Covered Services. In such circumstances, Contractor shall, within 45 calendar days of receipt of a claim for payment, notify:
  - (1) The Provider of such Services of the decision to deny payment, the basis for that decision, and the Provider's right to contest that decision.
  - (2) The OHP Member of the decision to deny payment as described in Exhibit G, Oregon Health Plan Mental Health Services Client Notices, Complaint and Hearings Process.

- f. Contractor shall be responsible for Medicare deductibles, coinsurance and copayments for its OHP Members who are Medicare eligible receiving Covered Services from a Medicare Provider.
- g. Contractor may not prohibit or otherwise limit or restrict a mental health care professional (acting within the scope of practice) from advising or advocating on behalf of an OHP Member for:
  - (1.) their mental health care status, medical care or treatment options, regardless of whether Contractor provides benefits for the particular type of care or treatment;
  - (2.) any information the OHP Member needs in order to decide among all the relevant treatment options;
  - (3.) the risks, benefits, and consequences of treatment or non-treatment;
  - (4.) the OHP Member's rights to participate in decisions regarding mental health care, including the right to refuse treatment, and to express preferences about treatment decisions.
- h. Contractor shall provide for a second opinion regarding diagnosis and prescribed treatment from a qualified mental health care professional within the Provider Panel, or arrange for the ability of the OHP Member to obtain one outside the Provider Panel, at no cost to the OHP Member.

### 3. Mental Health Services Which are Not Covered Services

Contractor shall assist its OHP Members in gaining access to certain mental health Services that are not Covered Services and that are provided under separate contract with DHS. Services that

are not Covered Services include, but are not limited to, the following:

- a. Medical Transportation;
- b. Medication;
- c. Psychiatric Day Treatment for OHP Members under 21 years of age (except for those Services included in the Intensive Treatment Services Pilot Project);
- d. Therapeutic Foster Care reimbursed under HCPC Code S5145 for OHP Members under 21 years of age;
- e. Therapeutic Group Home reimbursed for OHP Members under 21 years of age;
- f. Secure Children's Inpatient program (SCIP) services for OHP members age 14 and under;
- g. Behavioral Rehabilitative Services that are financed through Medicaid and regulated by DHS Services to Children and Families and OYA;
- h. Psychiatric Residential Treatment Services (PRTS) for OHP Members under 21 years of age (except for those Services included in the Intensive Treatment Services Pilot Project);
- i. Child and Adolescent Treatment Program (CATP) at the Oregon State Hospital (OSH) (except for those Services included in the Intensive Treatment Services Pilot Project);
- j. Investigation of OHP Members for civil commitment;
- k. Long Term Psychiatric Care as defined in Section V., B., 3., i., for OHP Members 21 years of age and older;
- l. Preadmission Screening and Resident Review (PASRR) for OHP Members seeking admission to a Nursing Home;

- m. Extended care Services for OHP Members 18 years of age and older including Extended Care Management, Enhanced Care Services provided in DHS Seniors and People with Disabilities Program licensed facilities, “365” Projects, Psychiatric Vocational Projects, PASSAGES Projects, and other Services developed as less restrictive alternatives to Long Term Psychiatric Care at an Oregon State Hospital;
- n. Personal Care in Adult Foster Homes for OHP Members 21 years of age and older;
- o. Other Residential Services for OHP Members 21 years of age and older provided in Residential Care Facilities, Residential Treatment Facilities and Residential Treatment Homes;
- p. Services provided to persons while in the custody of a correctional facility or jail;
- q. Abuse investigations and protective Services as described in OAR 309-040-0200 through 309-040-0290, Abuse Reporting and Protective Services in Community Programs and Community Facilities, and ORS 430.735 through ORS 430.765, Abuse Reporting for the Mentally Ill; and
- r. Personal Care Services as described in OAR 411-34-000 through 411-34-090 and OAR 309-040-0000 through 309-040-0100.

#### 4. Client Notices

Each time a Service or benefit will be terminated, suspended or reduced, or a request for Service authorization or request for claim payment is denied, Contractor shall issue a Notice of Action. Contractor is not obligated to issue a Notice of Action under one or more of the conditions described in Exhibit G, Oregon Health Plan Mental Health Services Client Notices, Complaint and Hearings Process. Contractor shall make available in all clinics, Participating Provider offices, and other Service locations

frequented by OHP Members, information concerning client notices, Complaints and hearings.

5. Practice Guidelines

Contractor shall adopt practice guidelines that are based on valid and reliable clinical evidence or a consensus of mental health professionals. These practice guidelines must consider the needs of OHP Members and be reviewed and updated periodically as appropriate. Contractor shall disseminate the practice guidelines to all affected Providers and, upon request, to OHP Member or OHP Member Representative. Decisions for Utilization Management, coverage of services, or other areas to which the guidelines apply, should be consistent with the adopted practice guidelines.

6. Utilization Management

- a. Contractor shall have written Utilization Management policies, procedures and criteria for Covered Services. These Utilization Management procedures shall be consistent with appropriate Utilization control requirements of 42 CFR Part 456.
- b. Contractor may adopt Treatment Parameters or Utilization Guidelines which result in limitations being placed on Covered Services; however, Contractor shall assure that Medically Appropriate level of Covered Services is provided based on the needs of the OHP Member regardless of limits specified in any such Treatment Parameters or Utilization Guidelines.
- c. If Contractor adopts Treatment Parameters or Utilization Guidelines, Contractor shall provide copies of such existing Treatment Parameters and Utilization Guidelines to OMHAS as of the effective date of this Agreement, within 45 calendar days of change or adoption, and within 30 calendar days of OMHAS request.

- d. Contractor shall disseminate Treatment Parameters or Utilization Guidelines to all affected Providers and, upon request, to OHP Member or OHP Member Representative.
- e. If Contractor adopts Treatment Parameters or Utilization Guidelines, Contractor shall establish an appeal process that allows for an independent clinical review of the decision by one or more QMHPs who were not involved in the original Utilization Management decision. Contractor may use its Complaint process for resolving utilization management appeals.
  - (1) The appeal process of Contractor shall afford those persons requesting Covered Services an expeditious method of reviewing Utilization Management decisions.
  - (2) Contractor shall have written policies and procedures for its Utilization Management appeal process, notify organizations, agencies and Health Care Professionals requesting Covered Services of such process, and, upon request, provide a copy of written Utilization Management appeal policies and procedures.
  - (3) Contractor shall maintain records of all Utilization Management appeals made and shall document all review decisions in writing. Records of Utilization Management appeals and decisions shall be made available, within limits of laws or rules governing confidentiality, to the person appealing the original Utilization Management decision.

7. Authorization for Services

- a. Contractor shall have procedures in place for the consistent application of review criteria for authorization decisions; and that any decision to deny the amount, duration, or scope of a Service request be made by a health care professional who has the appropriate clinical expertise in treating the OHP Member's mental health condition.

- b. Contractor shall have written policies and procedures for processing preauthorization requests received from any Provider. This process shall include notification to the OHP Member and the requesting Provider of any decision to deny a Service authorization request, or to authorize an amount, duration, or scope that is less than requested.
  - c. Contractor shall make a decision regarding a request for Service authorization and notify the OHP Member and Provider within fourteen (14) calendar days following receipt of the request, with a possible extension of 14 additional calendar days if the OHP Member or Provider requests extension, or the Contractor requires additional information. If Contractor extends the time frame, Contractor shall give the OHP Member a written notice of the reason for the decision to extend the timeframe and inform the OHP Member of the right to file a grievance if he or she disagrees with that decision. When a decision is not reached regarding a Service authorization request within the timeframes specified above, Contractor shall issue a Notice of Action to the Provider and OHP Member, or OHP Member Representative, consistent with Exhibit G, Oregon Health Plan Mental Health Services Clients Notices, Grievances, Appeals and Hearings Process.
  - d. If an OHP Member or Provider requests an expedited authorization decision, Contractor shall make a decision and notify the OHP Member and Provider within 72 hours after receipt of the Service authorization request.
8. Contractor shall comply with ORS 127.703, Required Policies Regarding Mental Health Treatment Rights Information; Declaration for Mental Health Treatment.

B. Delivery System Configuration

1. Needs Assessment

- a. Contractor shall develop a mechanism for determining the Service demand and unique Service needs of its OHP Members based on, but not limited to, factors such as:
  - (1) Profiles of the Service Area such as: age, gender, ethnicity, and socio-economic indicators;
  - (2) Social indicators such as: unemployment rates, divorce rates, single parent household rate, homelessness rate, immigration, seasonal or transient residents, education levels, teenage pregnancy rate, and income and poverty levels; and
  - (3) Incidence of selected behaviors such as: attempted and completed suicide rates; rate of incarcerated persons with mental illnesses by type of crime; alcohol and drug usage (including arrests) by age, gender and ethnicity; alcohol and drug related deaths; alcohol and drug related motor vehicle accidents and fatalities; driving under the influence of intoxicants; reported domestic violence activity; child and elder Abuse investigations; nursing facility resident-to-resident abuse rates; diagnoses; school dropout rates; foster care density; and crime rates by type of crime, age, gender and ethnicity.
- b. In accordance with findings of the needs assessment, Contractor shall, on an ongoing basis, adjust its delivery system configuration and Capacity to make available timely and appropriate access to an adequate range and intensity of Covered Services options. These Covered Services options shall be provided in the least restrictive Treatment settings.

- c. Contractor shall coordinate its needs assessment and Service delivery system planning effort with organized planning efforts carried out by the Local Mental Health Authorities of its Service Area.

2. Components of the Delivery System

a. Services Coordination

- (1) Contractor shall have written policies and procedures for the provision of Services Coordination for those OHP Members with unique needs or requiring Services from more than one Local and/or Regional Allied Agency. Such policies and procedures shall be specific to these agencies.
- (2) Contractor shall manage all Covered Services for its OHP Members with unique needs or requiring Services from more than one Local and/or Regional Allied Agency. Such policies and procedures shall be specific to these agencies.

b. Preventive and Early Intervention Services

- (1) Contractor shall establish and conduct preventive mental health and Psychoeducational Programs to decrease the incidence, prevalence, and residual effects of mental disorders in selected areas of the OHP Member population.
  - (a) Contractor shall have screening mechanisms to determine the presence and prevalence of mental disorders in its OHP Membership.
  - (b) Contractor shall develop and adopt programs with the participation of Health Care Professionals, OHP Members, Family members and Local and/or Regional Allied Agencies.

- (c) Contractor shall have Services that are appropriate to the age, gender, socioeconomic status, ethnicity, clinical history, and risk characteristics of its OHP Membership.
  - (d) Contractor shall have mechanisms to inform its OHP Members, Family members, and Health Care Professionals about its preventive and Psychoeducational Programs.
  - (e) Contractor shall have mechanisms to monitor the use of its preventive and Psychoeducational Programs and assess their impact on the OHP Membership.
  - (f) Contractor shall take actions to improve the appropriate use of preventive and Psychoeducational Programs.
- (2) Contractor shall regularly encourage OHP Members, Health Care Professionals, and Family members to use its preventive and Psychoeducational Programs and Services.

c. Rehabilitative Treatment Services

- (1) Contractor shall establish and make available Services for OHP Members who have non-urgent or non-Emergency needs for Covered Services. These Services shall include Rehabilitative Covered Services.
- (2) Contractor shall establish written policies and procedures that ensure Covered Services, which are Rehabilitative, are provided within Medically Appropriate time frames.

d. 24 Hour Urgent and Emergency Response System

- (1) Contractor shall provide covered mental health Emergency Services that are needed immediately, or appear to be needed immediately by a prudent layperson, because of a sudden mental health condition. Contractor is obligated to pay all necessary mental health Emergency Services which are medically appropriate, until the emergency is stabilized, including those of non-participating mental health practitioners or licensed facilities. Contractor may not deny payment for covered mental health Emergency Services obtained when a representative of the Contractor, or its Providers, instructs the OHP Member to seek Emergency Services.
- (2) Contractor shall establish, consistent with OAR 410-141-0140, Oregon Health Plan Prepaid Health Plan Emergency and Urgent Care Medical Services, an Urgent and Emergency Response System that operates 24 hours per day, 7 days per week.
- (3) Contractor shall have, and adhere to, written policies and procedures for an Emergency Response System that provides an immediate, initial and/or limited duration response consisting of: a telephone or face to face screening to determine the nature of the situation and the person's immediate need for Covered Services; capacity to conduct the elements of a mental health Assessment that are needed to determine the interventions necessary to begin stabilizing the crisis situation; development of a written initial Services plan at the conclusion of the mental health Assessment; provision of Covered Services and/or Outreach needed to address the Urgent or Emergency Situation; and linkage with the public sector crisis services, such as precommitment.

e. Involuntary Psychiatric Care

- (1) Contractor shall make a reasonable effort to provide Covered Services on a voluntary basis and consistent with current Declaration for Mental Health Treatment in lieu of involuntary treatment.
- (2) Contractor shall have written policies and procedures describing the Appropriate use of Emergency Psychiatric Holds and alternatives to Involuntary Psychiatric Care when a less restrictive voluntary Service will not meet the Medically Appropriate needs of the OHP Member and the behavior of the OHP Member meets legal standards for the use of an Emergency Psychiatric Hold.
- (3) Contractor shall only use psychiatric inpatient facilities and non-inpatient facilities certified by DHS under OAR 309-033-0200 through 309-033-0340, Standards for the Approval of Facilities that Provide Care, Custody and Treatment to Committed Persons or to Persons in Custody or on Diversion, to provide Emergency Psychiatric Holds.
- (4) Contractor shall comply with ORS Chapter 426, OAR 309-033-0200 through 309-033-0340, and OAR 309-033-0400 through 309-033-0440 for involuntary civil commitment of those OHP Members who are civilly committed under ORS 426.130.
- (5) Contractor shall administer Medication to OHP Members held or civilly committed under ORS Chapter 426, regardless of setting, only as permitted by applicable statute and administrative rule. Contractor shall not transfer civilly committed OHP Members to a State Hospital for the sole purpose of obtaining authorization to administer Medication on an involuntary basis.

f. Acute Inpatient Hospital Psychiatric Care

- (1) Contractor shall maintain agreements with local and regional hospitals for the provision of emergency and non-emergency hospitalization for OHP Members with mental disorders that require Acute Inpatient Hospital Psychiatric Care. Hospitals selected must comply with standards as described in Part II, Section V. Statement of Work, Subsection N, Credentialing Process, Item 1.b. and c.
- (2) Contractor shall cover the cost of Acute Inpatient Hospital Psychiatric Care for OHP Members who do not meet the criteria for Long Term Psychiatric Care.
- (3) Contractor may request of OMHAS Extended Care Management Unit (ECMU) the transfer of an OHP Member from an Acute Inpatient Hospital Psychiatric Care setting to a highly secure psychiatric setting when Contractor believes that the extremely assaultive behavior of the OHP Member warrants such a setting. If the OHP Member does not consent to such a transfer, Contractor may, subject to applicable law, initiate an Emergency Psychiatric Hold and a precommitment investigation. The care rendered to an OHP Member transferred to a highly secure psychiatric setting at Contractor's request is a Covered Service and the cost thereof shall be borne by Contractor unless and until the OHP Member is determined Appropriate for Long Term Psychiatric Care in accordance with the process described in this Agreement. If the OHP Member is admitted to a State Hospital, Contractor shall pay the usual and customary rates for this level of Service until such time as the OHP Member is discharged or determined Appropriate for Long Term Psychiatric Care.
- (4) Contractor shall coordinate admissions to and discharges from Acute Inpatient Hospital Psychiatric Care for OHP Members in the care and custody of

DHS Children, Adults, and Family Services or Oregon Youth Authority (OYA) with such OHP Member's DHS Services to Children and Families or OYA case manager. For an OHP Member placed by DHS Children, Adults, and Family Services through a Voluntary Child Placement Agreement (SCF form 499), coordination shall also occur with such OHP Member's parent or legal guardian.

- g. Contractor shall take into consideration the Service needs of OHP Members with Special Health Care Needs when establishing its Provider network.
- h. Intensive Treatment Services Pilot Program
  - (1) The Intensive Treatment Services Pilot Program is a range of service components in a system of care inclusive of Psychiatric Residential Treatment Services, Psychiatric Day Treatment Services, Psychiatric Residential Assessment and Evaluation Services and services at the Child and Adolescent Treatment Program (CATP) unit at the Oregon State Hospital.
  - (2) Contractor shall provide Psychiatric Residential Treatment Services, as well as other services as determined by Contractor, to provide active psychiatric treatment for children and adolescents with severe mental or emotional disorders whose needs cannot be adequately addressed in traditional settings. Contractor shall provide Medically Appropriate services in the least restrictive setting at a level consistent with the continued stay criteria for the services that were included in the Intensive Treatment Services Pilot Project Request for Information dated February 11, 1999, which is incorporated herein by this reference.
  - (3) Although each MHO involved in the ITS Pilot Program will be contracted separately with DHS,

Accountable Behavioral Health Alliance (ABHA), Mid-Valley Behavioral Health Care Network (MVBCN), and Greater Oregon Behavioral Health, Inc. (GOBHI) have entered into a contractual agreement for co-management of their enrollees who are identified to enter into the ITS Pilot Program. The maximum number of children to be served under this Agreement for the ITS Pilot Program shall be:

22 (twenty-two) children

For GOBHI, only those enrollees in Clatsop and Columbia counties will be eligible for participation in the ITS Pilot Program.

- (4) Contractor shall notify OMHAS monthly of its OHP Members that are identified to participate in the ITS Pilot Program.
  - a) DHS will send Contractor a pre-printed Turnaround Document (TAD) each month with the names of the OHP Members participating in the ITS Pilot Program;
  - b) Contractor will review the TAD, make the necessary changes, and forward the TAD to OMHAS within three (3) working days of receipt of the document. Delay of the return of the TAD will cause delay of the monthly payment to Contractor;
  - c) OMHAS will verify the OHP member's eligibility and enrollment with Contractor, as well as check to ensure that duplicate payments are not being made for the OHP Member to the ITS provider through any other contracts with DHS;
  - d) Once all information on the TAD is verified, OMHAS will notify the DHS Community

Accounting Office to issue the monthly payment to Contractor .

(5) An ITS payment will be made monthly to Contractor on the 15<sup>th</sup> day of each month, or the next working day if the payment day falls on a weekend or holiday. The payment will be the daily case rate times the days in which qualified participating OHP Members are in the ITS Pilot Program. The maximum payment will be the maximum number of children for which payment is received times the actual days in any given month. (Combined maximum between ABHA, MVBCN, and GOBHI not to exceed 22 children) OMHAS will make adjustments to the monthly payment in the event that there are days for which the number of qualified participating OHP Members is fewer than the maximum number specified in Section V.B.2. g.(3).

(6) The ITS Pilot Program rate methodology is based on a blended case rate model. The model calculates the number of dedicated slots times the weighted average daily slot cost for the specific providers participating, times the budgeted days per year to get a Budgeted Service Cost. An additional 7.25% administrative cost is added to establish a Total Fund Cost. The total number of dedicated slots is then divided in the Total Fund Cost to establish a blended case rate. The Yearly Blended Case Rate is divided by 365 (days per year) to establish a daily case rate:

\$263.06 per day per qualified participating enrollee

(7) Contractor shall work closely with OMHAS to ensure continuous enrollment for children entering into the ITS Pilot Program who are placed in treatment facilities outside Contractor's Service Area, as defined in Part I, Section III.B. Contractor shall notify OMHAS when an enrollee is admitted to an ITS Pilot Program, as well as when the enrollee is scheduled for

discharge from the program. OMHAS will work with allied agencies to make the system adjustments that are necessary to accomplish continuous enrollment with Contractor. Eligibility determinations will not be affected and will continue to be subject to the DHS criteria for participation in the OHP.

- (8) SSI disability payments are considered a primary payer resource for children who qualify for and received Supplement Security Income (SSI) disability payments and are enrolled in Psychiatric Residential or Psychiatric Residential Assessment and Evaluation treatment programs, or other out-of-home placement, for longer than thirty (30) days where Contractor has payment responsibility for room and board in addition to clinical services. Under federal rules and guidelines, if a beneficiary is receiving care in a federal, state, or private facility because of mental or physical incapacity, a portion of the SSI disability payment is to be used for the beneficiary's costs incurred for room and board to offset other federal resources. Therefore, the monthly payment to Contractor for these children will be reduced, as required by federal law, by an amount determined by DHS . Contractor, or their subcontracted providers, will be responsible for recovery of the portion of the SSI disability payment from the parents and guardians of the child to apply to the cost of the program. Contractors will notify OMHAS when an ITS child who receives SSI payments is placed in a treatment setting outside the home for more than thirty (30) days, at which time Contractor's monthly payment for that child will be reduced. Contractor will notify OMHAS when the child is returned to the home to reinstate the full payment of the monthly rate.
- (9) Contractor will not restrict services for children in the ITS Pilot Program, but will provide all Medically Appropriate services covered in the MHO Agreement for mental health services in the OHP benefit package

including flexible services that Contractor may develop for children with this level of need.

- (10) Contractor shall ensure that all programs involved in the ITS Pilot Program meet the Credentialing Standards as outlined in Section V, Subsection N of the MHO Agreement and are licensed and certified by DHS under the Applicable Oregon Administrative Rules for the Program.
- (11) Contractor shall have policies and procedures in place to assure timely reimbursement to participating providers in the ITS Pilot Program.
- (12) Contractor shall have written policies and procedures describing the admission and discharge criteria for a child requiring ITS Pilot Program level of care. Process shall include the active participation of the family, allied agencies, and other persons involved in the child's care. Process shall be consistent with that described in Contractor's response to the Intensive Treatment Services Pilot Project Request for Information dated February 11, 1999.
- (13) Contractor shall be required to submit additional reports and information as identified by OMHAS for the purposes of research and evaluation of the ITS Pilot Program. OMHAS will continue to contract with a professional review organization for an independent review to collect clinical information for children served through the ITS Pilot Program.
- (14) OMHAS reserves the right to terminate the ITS Pilot Program services identified in the MHO Agreement by mutual consent of both parties or by either party upon thirty (30) calendar days written notice.

3. Integration and Coordination

Contractor shall ensure that in the process of coordinating care, the OHP Member's privacy is protected consistent with the confidentiality requirements in 45 CFR parts 160 and 164 subparts A and E, to the extent that they are applicable, and consistent with other State law or Federal regulations governing privacy and confidentiality of mental health records.

a. Mental Health Services Which Are Not Covered Services

Contractor shall coordinate Services for each OHP Member who requires Services from agencies providing mental health Services that are not Covered Services. These Services include, but are not limited to, those listed in Section V. Statement of Work, Subsection A, Benefit Package, item 3, Mental Health Services Which Are Not Covered Services.

(1) Contractor shall assist OHP Members who are children and adolescents in gaining access to intensive treatment services, such as Psychiatric Residential Treatment Services, Psychiatric Residential Assessment and Evaluation Services, Psychiatric Day Treatment Services, the Secure Children's Inpatient Program (SCIP), or services at the Child and Adolescent Treatment Program (CATP) unit at the Oregon State Hospital, when these levels of care are Medically Appropriate.

(a) Contractor shall work closely with OMHAS staff to ensure continuous enrollment for OHP Members entering into intensive treatment services outside of Contractor's Service Area, as defined in Part I, Section III.B.

(b) To ensure that treatment is being provided in the least restrictive and most appropriate setting, Contractor shall, at minimum, consult and communicate with intensive treatment

service programs for admission and discharge planning, and collaborate with the program regarding ongoing treatment decisions.

- (c) Contractor shall coordinate, consult, and communicate, within laws governing confidentiality, with community providers and other allied agencies, schools, family members or guardians regarding treatment for children and adolescents in intensive treatment services.

- b. Local Mental Health Authority (LMHA)/Community Mental Health Program (CMHP)

Contractor shall establish working relationships with the LMHA and CMHP operating in the Service Area for the purposes of maintaining a comprehensive and coordinated crisis response and mental health Service delivery system for OHP Member access to mental health Services , including Civil Commitment and protective Services/abuse investigations processes.

- c. Community Emergency Service Agencies

Contractor shall coordinate, consult, communicate with, and provide technical assistance to Community Emergency Service Agencies to promote appropriate responses to, and Appropriate Services for, OHP Members experiencing a mental health crisis.

- d. Local and/or Regional Allied Agencies

Contractor shall have a mechanism for multi-disciplinary team Service planning and Services Coordination for OHP Members requiring Services from more than one publicly funded agency or Service Provider. This mechanism shall help avoid Service duplication and promote access to a range and intensity of Service options that provide individualized, Medically Appropriate care in the least restrictive Treatment setting (clinic, home, school,

community based care settings licensed by local or allied agencies).

e. Physical Health Care Providers

Contractor shall coordinate with physical health care Providers and Fully Capitated Health Plans as follows:

- (1) Consult and communicate with the OHP Member's physical health care Provider as Medically Appropriate and within laws governing confidentiality as specified in OAR 410-141-0180, Oregon Health Plan Prepaid Health Plan Recordkeeping.
- (2) Consult with, and provide technical assistance to, physical health care Providers in the Service Area to help in the early identification of mental disorders so that intervention and Prevention strategies can begin as soon as possible.
- (3) Develop and implement methods of coordinating with FCHPs for the appropriate coordination of Services delivered to OHP Members, particularly OHP Members with exceptional Service needs. Such coordination shall be conducted within laws governing confidentiality.

f. Chemical Dependency Providers

Contractor shall coordinate with Chemical Dependency Providers as Medically Appropriate and within laws governing confidentiality and shall provide technical assistance for the identification and referral of OHP Members with dual diagnoses. Contractor shall work with FCHPs and Chemical Dependency Providers certified by DHS to develop the Capacity to provide Appropriate Services to dually diagnosed OHP Members so the needs of such persons can be better met.

g. Medicare Payers and Providers

Contractor shall coordinate with Medicare payers and Providers as Medically Appropriate to coordinate the care and benefits of OHP Members who are eligible for both Medicaid and Medicare.

h. OHP Members in Extended Care Settings

Contractor shall coordinate with the OMHAS ECMU and extended care Service Providers to integrate Services for OHP Members in Extended Care Programs. ECMU shall determine, after collaborating with Contractor and the Extended Care Program, , when an OHP Member is ready for discharge from the Extended Care Program.

i. Long Term Psychiatric Care (LTPC)

(1) If Contractor believes an OHP Member is Appropriate for LTPC, Contractor shall request a LTPC determination from the applicable DHS program. DHS staff shall render a determination within three working days of receiving a completed request if the OHP Member is 18 or more years of age or within seven working days of receiving a completed request if the OHP Member is under age 18.

(a) For OHP Members age 18 to age 64 with no significant nursing care needs due to an Axis III disorder of an enduring nature, the OMHAS Extended Care Management Unit (ECMU) as described in Exhibit H.1., Procedure for Long Term Psychiatric Care Determinations for OHP Members Age 18-64;

(b) For OHP Members age 14 and under, the OMHAS SCIP Representative, and for OHP Members age 15 through 18, the Oregon State Hospital, Child and Adolescent Treatment Program (CATP), Community Outreach Team

(COT) Representative as described in Exhibit H.2., Procedure for Long Term Psychiatric Care Determinations for OHP Members Under Age 18; and

- (c) For OHP Members age 65 and over or age 18 to age 64 with significant nursing care needs due to an Axis III disorder of an enduring nature, the Oregon State Hospital Geropsychiatric Treatment Service (OSH-GTS), Outreach and Consultation Service (OCS) Team as described in Exhibit H.3, Procedure for Long Term Psychiatric Care Determinations for Persons Requiring Geropsychiatric Treatment.
- (2) An OHP Member is Appropriate for LTPC when the OHP Member needs either Intensive Psychiatric Rehabilitation or other Tertiary Treatment in a State Hospital or Extended Care Program, or Extended and Specialized Medication Adjustment in a secure or otherwise highly supervised environment; and the OHP Member has received all Usual and Customary Treatment, including, if Medically Appropriate, establishment of a Medication Management Program and use of a Medication Override Procedure.
- (3) DHS shall cover, the cost of LTPC of OHP Members determined Appropriate for such care beginning on the effective date specified below in Section V.B.3.i.(3) and ending on the date the OHP Member is discharged from such setting

If an OHP Member is ultimately determined Appropriate for LTPC, the effective date of such determination shall be either:

- (a) The date ECMU receives a completed Request for Long Term Psychiatric Care Determination for Persons Age 18 to 64 form, or

- (b) No more than seven (7) calendar days following the date the OMHAS SCIP Representative or the OSH COT Representative receives a completed Long Term Psychiatric Care Determination for Persons Under Age 18 form; or
  - (c) The date the OSH-GTS OCS Team receives a completed Request for Long Term Psychiatric Care Determination for Persons Requiring Geropsychiatric Treatment; or
  - (d) In cases where OMHAS and Contractor mutually agree on a date other than these dates, the date mutually agreed upon.
  - (e) In cases where the Clinical Reviewer determines a date other than a date described above in Section V.B.3.i.(3)(a) through V.B.3.i.(c), the date determined by the Clinical Reviewer.
- (4) In the event there is a disagreement between Contractor and OMHAS about whether an OHP Member is Appropriate for LTPC, Contractor may request, within three (3) working days of receiving notice of the LTPC determination, review by an independent Clinical Reviewer. The determination of the Clinical Reviewer shall be deemed the determination of OMHAS for purposes of this Agreement. If the Clinical Reviewer ultimately determines that the OHP Member is Appropriate for LTPC, the effective date of such determination shall be the date specified above in Section V.B.3.i.(3). The cost of the clinical review shall be divided equally between Contractor and OMHAS. The Clinical Reviewer established for the period of this Agreement shall be the Oregon Medical Professional Review Organization (OMPRO) or such other similar

person or organization mutually established by DHS and Contractor.

- (5) Contractor shall work with the OMHAS ECMU, OMHAS SCIP Representative, the OSH COT Representative or OCS Team in managing admissions to and discharges from LTPC for OHP Members who require such care at Oregon State Hospital or Eastern Oregon Psychiatric Center.
    - (a) Contractor shall also work with the OHP Member and, for OHP Members under age 18, or over age 18 with legal guardians, the parent or guardian of the OHP Member to assure timely discharge from LTPC to an Appropriate community placement.
    - (b) Contractor shall also work with the OSH-GTS Interdisciplinary Treatment Team assigned to the OHP Member in managing discharges from Long Term Geropsychiatric Care.
  - (6) Contractor shall assure that any involuntary treatment provided under this Agreement is provided in accordance with administrative rule and statute, and shall coordinate with the CMHP Director in assuring that all statutory requirements are met. Contractor shall also work with the CMHP Director in assigning a civilly committed OHP Member to any placement and participate in circuit court hearings related to planned placements, if applicable.
- j. Consumer Involvement and Advocacy
1. Contractor shall involve consumers, families, consumer advocates, and advocacy groups in planning, developing, implementing, operating and evaluating Services.
  2. Contractors' advisory bodies, such as Quality Improvement committees, policy-making bodies or decision-making boards, shall have representation from culturally diverse

populations of mental health consumers and their family members. Representation on these advisory bodies shall be a minimum of 25% of total membership and shall consist of representatives which include the following constituent groups: adolescent consumers, adult consumers, older adult consumers, family members of child and adolescent consumers and family members of adult and older adult consumers.

3. Contractor shall inform OHP Members, at least once per year, of the OHP Member's abilities to participate in activities of Contractor.

C. Delivery System Capacity

1. Contractor shall maintain a Provider Panel with adequate Capacity and expertise to provide timely and Appropriate access to Covered Services across the age span from child to older adult.
  - a. Contractor shall monitor Capacity and adjust Capacity as needs change over time.
  - b. Contractor shall consider geographic location of Providers and OHP Members when monitoring Capacity in outlying portions of its Service Area under this Agreement and for OHP Members who cannot reasonably be served in a clinic setting.
  - c. Contractor shall provide OHP Members with a choice of Providers within Contractor's Provider Panel consistent with Section 1932(a)(1)(2)(3) of Title XIX of the Social Security Act and Section (1)(b) of OAR 410-141-0120, Oregon Health Plan Prepaid Health Plan Provision of Health Care Services; Section (2)(c) of OAR 410-141-0320, Oregon Health Plan Prepaid Health Plan Member Rights and Responsibilities; and Section (1)(a) of OAR 410-141-0160, Oregon Health Plan Prepaid Health Plan Continuity of Care.

- d. Contractor shall provide OHP Members with access, as Medically Appropriate, to psychiatrists, other licensed medical professionals, or mental health professionals.
2. Contractor shall identify training needs of its Provider Panel and address such needs to improve the ability of the Provider Panel to deliver Covered Services to OHP Members.
3. If Contractor is unable to provide necessary Covered Services which are Medically Appropriate to a particular OHP Member within its Provider Panel, Contractor shall adequately and timely cover these services out of network for the OHP Member, for as long as Contractor is unable to provide them. Out of network providers must coordinate with Contractor with respect to payment.

D. Accessibility and Continuity of Care

1. Contractor shall comply with OAR 410-141-0220, Oregon Health Plan Prepaid Health Plan Accessibility and OAR 410-141-0160, Oregon Health Plan Prepaid Health Plan Continuity of Care.
2. In addition to access and Continuity of Care standards specified in the rules cited above in Subsection D.1., Contractors shall establish standards for access to Covered Services and Continuity of Care which, at a minimum, include the following:
  - a. For Urgent Services and Emergency Services, Contractor shall assure that OHP Members receive an initial face-to-face or telephone screening within fifteen minutes of contact to determine the nature and urgency of the situation.
  - b. For Emergency Services, Contractor shall assure that OHP Members receive timely Covered Services within time frames identified by the urgent and emergency response screening or within 24 hours of contact, whichever is shorter.
  - c. For Urgent Services, Contractor shall assure that OHP Members receive timely Covered Services within time frames identified by the urgent and emergency response

- screening or within 48 hours of request, whichever is shorter.
- d. For non-Urgent Services and non-Emergency Services, Contractor shall assure that OHP Members wait no more than two calendar weeks to be seen for an Intake Assessment following a request for Covered Services.
  - e. For post-hospital services, Contractor shall assure that OHP Members receive a Covered Service within one calendar week following discharge from Acute Inpatient Psychiatric Hospital Care or that such OHP Members receive follow-up Covered Services within a Medically Appropriate period of time.
  - f. For missed appointments, Contractor shall follow-up and reschedule appointments or provide Outreach Services as Medically Appropriate or needed to prevent serious deterioration of the OHP Member's mental health condition.
  - g. For routine travel time from the OHP Member residence to the Participating Provider, Contractor shall assure that OHP Members spend no more time traveling than the Community Standard.
3. Contractor shall have effective methods for monitoring compliance with standards D.2.a. through D.2.g. above and shall have efficient strategies for taking prompt corrective action when compliance falls below those standards.
  4. Contractor shall have a method of responding to telephone calls from non-English speaking OHP Members and shall make available to these OHP Members, interpreters capable of effectively receiving, interpreting and translating routine and clinical information.
  5. Contractor shall have a method of responding to telephone calls from hearing impaired OHP Members and shall make available to these OHP Members, TDD Service and sign language or oral

interpreters capable of effectively receiving, interpreting and translating routine and clinical information.

6. Contractor shall make Reasonable Accommodations to administrative practices and Service approaches for Service access and Continuity of Care for OHP Members with Disabling Conditions.
7. Contractor shall allow OHP Members to request an Assessment and Evaluation without obtaining a referral from another Provider.
8. Contractor shall provide each OHP Member with an opportunity to select an appropriate Mental Health Practitioner and Service site.
9. Contractor shall provide for the identified Covered Service needs of an OHP Member during transfer from one practitioner or hospital to another regardless of whether the practitioners or hospitals are Participating Providers. Contractor shall develop a written plan for Continuity of Care to avoid a worsening of the OHP Member's mental disorder when transitioning the OHP Member. Contractor shall document that such plan is acceptable to the OHP Member and/or OHP Member Representative or that the OHP Member and/or OHP Member Representative has been advised of the Complaint and DHS Hearings processes.
10. Contractor shall not deny Covered Services to, or request Disenrollment of, an OHP Member based on disruptive or abusive behavior resulting from symptoms of a mental disorder or from another Disability. Contractor shall develop an Appropriate Treatment Plan with the OHP Member and the Family or advocate of the OHP Member to manage such behavior.
11. Contractor shall implement mechanisms to assess each OHP Member with Special Health Care needs in order to identify any ongoing special conditions that require a course of mental health treatment or care management. The assessment mechanisms must use appropriate Mental Health Practitioners.

E. Quality Assurance/Quality Improvement (QA/QI) Requirements

1. QA/QI System

- a. Contractor and its Subcontractors shall have a planned, systematic and ongoing process for monitoring, evaluating and improving the access, quality, and Appropriateness of Covered Services provided to OHP Members. The process shall include written policies, standards, and procedures that address the needs of OHP Members. Contractor shall have in effect, mechanisms to detect both underutilization and overutilization of services. If Contractor delegates any QA/QI activity, the process must state the extent of the delegation and how these activities are integrated in the overall QA/QI system.
- b. Contractor's QA/QI Committee shall demonstrate evidence of stakeholder participation in the QA/QI program.

c. Stakeholder Input

Contractor shall have a formal and ongoing process for gathering and considering information from Stakeholders including, but not limited to: OHP Members, consumers, consumer advocates, Families, parent advocates, family members of older adults, Local and/or Regional Allied Agencies, child psychiatrists, geropsychiatrists, child advocates, and Health Care Professionals.

- d. Contractor shall communicate to Providers the overall findings, including recommendations and opportunities for improvement, of data collected on performance and patient outcomes.

2. Quality Improvement Work Plan

Contractor shall develop and submit to OMHAS a written Quality Improvement Work Plan within 45 days of the effective date of this Agreement. OMHAS shall review the Quality Improvement

Work Plan and notify Contractor of its determination within 30 days of receipt.

- a. Contractor shall develop performance improvement projects that measure performance using Measurable Objectives and measurable quality indicators, implement system interventions to achieve improvement in quality, evaluate the effectiveness of the interventions, and includes a plan for increasing or sustaining improvement in the following domains: Access to Services; Quality of Services; Integration and Coordination of Services; Prevention, Education, and Outreach; and Outcomes.
- b. Contractor shall work with OMHAS to identify at least three activities to measure compliance with the applicable terms and requirements of this Agreement.
- c. Contractor shall submit a Quality Improvement Work Plan report to OMHAS describing progress toward objectives and benchmarks 45 days after the termination of this Agreement.

3. Measurable Objectives and Benchmarks

Contractor shall develop and monitor progress toward Measurable Objectives and Benchmarks in the above mentioned domains. Contractor shall demonstrate that findings are used to improve access and remove barriers to Covered Services; improve Capacity to provide Covered Services in a timely manner; improve the Quality of Care provided and the coordination of benefits, and strengthen and expand Prevention, Early Intervention and Education Services.

4. Member of OMHAS QA Committee

Contractor shall participate, if such participation is requested by OMHAS , as a member of the QA Committee of OMHAS.

F. Informational Materials and Education of OHP Members

1. Contractor shall develop or provide informational materials and educational programs as described in OAR 410-141-0280, Oregon Health Plan Prepaid Health Plan Information Requirements and OAR 410-141-0300, Oregon Health Plan Prepaid Health Plan Member Education. These materials and programs shall be tailored to the backgrounds and special needs of OHP Members. Contractor shall develop, and make available to its OHP Members, a mental health education program that addresses Prevention and Early Intervention of mental illness. Contractor shall offer OHP Member orientation that includes information on Contractor's Grievance and Complaint process.
2. Contractor shall give particular attention to the following requirements:
  - a. Provide written information in each non-English language that is prevalent in Contractor's Service Area;
  - b. Make oral interpretation Services available and inform OHP Members how to access those services;
  - c. Make written information available in alternate formats taking into consideration the special needs of OHP Members;
  - d. Notify OHP Members at least once a year of their right to request and obtain informational materials as described in this section.
3. Contractor shall make the following information available to OHP Members upon request:
  - a. With respect to mental health Providers, information that includes, but is not limited to, education, licensure, Board certification and recertification;
  - b. Information on requirements for accessing Services, including information on physical accessibility and non-English languages spoken;

- c. Description of the procedures Contractor uses to control utilization of Services and expenditures;
  - d. A summary description of the methods of compensation for Providers; and
  - e. Information on the financial condition of Contractor, including the most recently audited information.
4. Contractor shall make available to OHP Members, in compliance with the requirements of the Americans with Disabilities Act of 1990, information in such alternative formats as requested by an OHP Member so as to allow the OHP member to effectively receive such information. These alternative formats may include, but are not limited to culturally appropriate information, foreign language translations, large print and audio of Braille translations for hearing or vision impaired OHP Members.
  5. Contractor shall have written policies and procedures that meet the requirements for advance directives with respect to adult OHP Members receiving mental health services, as set forth in 42 CFR 489.102. Contractor shall provide written information to adult OHP Members on advance directive policies within 14 calendar days of OHP Member's effective date of coverage with Contractor.

#### G. OHP Member Rights

1. Contractor shall develop, by the effective date of this Agreement, written policies and procedures incorporating and ensuring the rights and responsibilities of OHP Members consistent with ORS 430.210, Rights of Service Recipients; Status of Rights; OAR 410-141-0320, Oregon Health Plan Prepaid Health Plan Member Rights and Responsibilities; ORS 430.735 through 430.765, Abuse Reporting for the Mentally Ill; and OAR 309-040-0200 through 309-040-0290, Abuse Reporting and Protective Services in Community Programs and Community Facilities.
2. Contractor shall provide OHP Members with information on the rights specified in OAR 410-141-0320, Oregon Health Plan

Prepaid Health Plan Member Rights and Responsibilities.

Contractor shall give particular attention to the following rights:

- a. The right to receive Covered Services;
- b. The right to receive information on available treatment options and alternatives presented in a manner appropriate to the OHP Member's condition and ability to understand.
- c. The right to be actively involved in the development of Treatment Plans if Covered Services are to be provided and to have parents involved in such Treatment Planning consistent with OAR 309-032-0950 through 309-032-1080, Standards for Community Treatment Services for Children;
- d. The right to consent to Treatment and refuse Covered Services;
- e. The right to be informed as required in OAR 127.703, Required Policies Regarding Mental Health Treatment Rights Information; Declaration for Mental Health Treatment;
- f. The right to request and receive a copy of his or her own Clinical Record, (unless access is restricted in accordance with ORS 179.505 or other applicable law) and to request that the records be amended or corrected as specified in 45 CFR part 164;
- g. The right to have Clinical Records kept confidential consistent with laws listed in OAR 410-141-0180, Oregon Health Plan Prepaid Health Plan Recordkeeping and ORS 179.505 through 179.507;
- h. The right to have an opportunity to select an appropriate Mental Health Practitioner and Service site from within Contractor's Participating Provider Panel;

- i. The right to refer oneself directly to Contractor for Covered Services without first having to gain authorization from another Provider;
- j. The right to have access to Covered Services which at least equals access available to other persons served by Contractor;
- k. The right to receive a Notice of Action when a Service, benefit, Request for Service Authorization or Request for Claim Payment is denied; or prior to termination, suspension or reduction of a benefit or Service as described in Exhibit G, Oregon Health Plan Mental Health Services Client Notices, Complaint and Hearings Process;
- l. The right to make a Complaint or request a hearing as described in Exhibit G, Oregon Health Plan Mental Health Services Client Notices, Complaint and Hearings Process;
- m. The right to request an Expedited Hearing if the OHP Member feels the mental health problem is Urgent or emergent and cannot wait for the normal hearing process;
- n. The right to request Continuation of Benefits until a decision in a hearing is rendered. The OHP Member may be required to repay any benefits continued if the issue is resolved in favor of Contractor;
- o. The right to receive, within 30 calendar days of Enrollment, written materials describing at least the following topics: rights and responsibilities, benefits available, how to access Covered Services, what to do in an Emergency Situation, and how to make a Complaint;
- p. The right to have written materials explained in a manner which is understandable;
- q. The right to access protective Services as described in ORS 430.735 through 430.765, Abuse Reporting for Mentally Ill

and OAR 309-040-0200 through 309-040-0290, Abuse Reporting and Protective Services in Community Programs and Community Facilities;

- r. The right to be treated with respect and with due consideration for his or her dignity and privacy;
  - s. The right to be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation, as specified in other Federal regulations on the use of restraints and seclusion.
  - t. The right to exercise his or her rights, and that the exercise of those rights does not adversely affect the way Contractor and its Providers treat the OHP Member.
3. Contractor shall post OHP Member rights in a visible location in all clinics, Participating Provider offices, and other Service locations.

#### H. Grievances and Appeals

- 1. Contractor shall have a Grievance system which includes a Grievance process, an Appeal process and access to the administrative hearings process, consistent with Exhibit G, Oregon Health Plan Mental Health Services Client Notices, Grievances, Appeals and Hearings Process. Contractor shall provide all Providers and Subcontractors information regarding the Contractor's Grievance, Appeal and Hearings Process at the start of each contract and shall include the following information:
  - a. The OHP Member's right to file grievances and appeals and the procedures and timeframes for filing;
  - b. The OHP Member's right to a DHS administrative hearing, how to obtain a hearing, and representation rules at a hearing;
  - c. How the OHP Member can receive assistance in filing a grievance, an appeal, or administrative hearing request;
  - d. The toll-free numbers for OHP Members to file oral grievances and appeals;

- e. The OHP Member's right to request continuation of benefits during an appeal or administrative hearing filing and, if the Contractor's action is upheld in a hearing, the OHP Member may be liable for the cost of any continued benefits; and
  - f. Provider appeal rights to challenge payment or authorization decisions made by Contractor.
- 2. Contractor shall submit to OMHAS for review and approval, on the effective date of this Agreement, written Grievance and Appeal policies procedures for accepting, processing and responding to all Grievances and Appeals from Family members, Local and/or Regional Allied Agencies, and OHP Members. Contractor shall also submit at that time the Member Grievance and Appeal Form and Notice of Denial letter to OMHAS for review and approval.
  - 3. Contractor shall include on its Grievance and Appeal form places for the OHP Member or OHP Member Representative to indicate a request for benefit continuation when a Notice of Intended Action has been issued, a request for an expedited Grievance and Appeal process, and the reason for expedited request. The Grievance and Appeal form shall also provide notice that any benefits continued may have to be repaid by the OHP Member if the issue is resolved in favor of Contractor.
  - 4. Contractor shall give OHP Members any reasonable assistance in completing forms and other procedural steps, not limited to providing interpreter services and toll-free numbers with TTY/TDD and interpreter capability.
- I. Financial Risk, Management and Solvency

Contractor shall assume the risk for providing Covered Services to its OHP Members. Contractor shall maintain sound financial management consistent with OAR 410-141-0340, Oregon Health Plan Prepaid Health Plan Financial Solvency and shall maintain protections against Insolvency, as specified in Exhibit C, Solvency Plan and Financial Reporting. If Contractor expects to change any elements of the Solvency Plan or solvency protection arrangements, Contractor shall provide written advance notice to OMHAS at least sixty (60) calendar days

before the proposed effective date of change. Such changes are subject to written approval from the OMHAS Community Services Section Manager.

- a. Failure to maintain adequate financial Solvency, as determined by DHS, shall be grounds for termination of this Agreement by DHS.
- b. In the event that insolvency occurs, Contractor remains financially responsible for providing Covered Services for OHP Members through the end of the period for which Contractor has been paid.
- c. Contractor shall not bill, charge, seek compensation, remuneration, or reimbursement from any OHP Member for any debt or payment of claims due to Contractor's insolvency.
- d. Contractor shall not seek recourse against DHS for Covered Services provided during the period for which Capitation Payments were made by DHS to Contractor even in the event Contractor becomes insolvent.

## J. Recordkeeping

### 1. Clinical Records

Contractor shall maintain recordkeeping consistent with OAR 410-141-0180, Oregon Health Plan Prepaid Health Plan Recordkeeping. Clinical Records shall document the degree of agreement or disagreement of the OHP Member, or the legal guardian of the OHP Member, with the Covered Service and Treatment Plans recommended and explained by the Mental Health Practitioner. If the Clinical Record does not include a signed and dated consent of the OHP Member or the legal guardian of the OHP Member to the recommended Covered Service or Treatment Plan, the Clinical Record shall document the reason such signature is missing. Clinical Records shall also include the signatures, signature dates, and academic degrees of all persons providing Covered Services and, if applicable, the signatures, signature dates, and academic degrees of all persons providing clinical, medical or direct supervision of the case.

2. Financial Records

Contractor shall maintain complete and legible financial records pertinent to Covered Services delivered and Capitation Payments received. Such records shall be maintained in accordance with accounting principles approved by the American Institute of Certified Public Accountants, Generally Accepted Accounting Principles (GAAP), and/or other applicable accounting guidelines such as those outlined in OMB circulars A-87 and A-122. Financial records shall be retained for at least three years after final payment is made under this Agreement or until all pending matters are resolved, whichever period is longer. Contractor shall maintain an appropriate record system for Services to enrolled members and retain records in accordance with 45 CFR Part 74, unless otherwise specified in applicable Oregon Revised Statutes or Oregon Administrative Rules.

3. Government Access to Records

Contractor shall provide, CMS, the Comptroller General of the United States, the Oregon Secretary of State, DHS and all their duly authorized representatives the right of access to facilities and to financial (including all accompanying billing records), clinical, and personnel records and other books, documents, papers, plans and writings of Contractor, or its Subcontractors, that are pertinent to this Agreement to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all financial and personnel records and books, documents, papers, plans, and writings for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to the Agreement, whichever date is later. Contractor shall, upon request and without charge, provide a suitable work area and copying capabilities to facilitate such a review or audit.

K. Reports

1. Participating Provider Listing and Capacity Report

Contractor shall submit to OMHAS, one calendar month following the effective date of this Agreement, the Mental Health Services Practitioner Report, as described in Exhibit A.

2. Complaint Log

a. Contractor shall submit to OMHAS, within sixty (60) calendar days following the end of each calendar quarter, the Health Plan Complaint Log, included in Exhibit B.

b. Contractor shall work with OMHAS to establish a method to collect and analyze data concerning Complaints and develop a method for Contractors to integrate the information in a Quality Improvement process.

3. QA Reports

Contractor shall negotiate with OMHAS to identify and agree upon activities to be reported.

4. Financial and Utilization Reports

Contractor shall submit to OMHAS, monthly, quarterly and yearly financial reports specified in Exhibit C, Solvency Plan and Financial Reporting.