

# **Memorandum of Understanding (MOU) for North Texas Behavioral Health Authority (NTBHA) To Designate Specific Single Portal Authority Functions To ValueOptions of Texas, Inc. (ValueOptions)**

This MOU is entered into between the North Texas Behavioral Health Authority (NTBHA) and ValueOptions of Texas, Inc. (ValueOptions), a behavioral health organization. ValueOptions' selection for this MOU is predicated upon the fact that ValueOptions is the sole Behavioral Health Organization (BHO) serving NorthSTAR.

## **Purpose:**

The purpose of this MOU is to set forth the terms and conditions for ValueOptions' designation to implement the clinical and administrative functions of the Single Portal Authority (SPA) for Collin, Dallas, Ellis, Hunt, Kaufman, Navarro, and Rockwall Counties, hereinafter referred to as the NorthSTAR Service Delivery Area (NorthSTAR SDA). Under the terms of this MOU, ValueOptions will be designated to be responsible for both the clinical and administrative activities of the Single Portal Authority. ValueOptions' delegated functions will be overseen by NTBHA, and ValueOptions will be required to interface with NTBHA as required by the NorthSTAR Program contract between ValueOptions and DSHS ("NorthSTAR Contract").

## **ARTICLE I PARTIES AND AUTHORITY TO MOU**

### **1.1 NTBHA's Authority**

The Department of State Health Services (DSHS) designated the North Texas Behavioral Health Authority as the Local Behavioral Health Authority (LBHA) and the Single Portal Authority (SPA) for the NorthSTAR SDA, pursuant to Health and Safety Code §533.014. As the LBHA and the SPA, NTBHA is responsible for all Mental Health Code requirements relating to Orders of Protective Custody and commitments for mental health services [Health and Safety Codes §574.014, §574.023, §574.027, §8574.041 and §5575.011) and regulatory requirements delineated in 25 Texas Administrative Code, Chapters 402A and 4028.

ValueOptions' contract (Article 3.6.2) with the State of Texas states that NTBHA may contract with the BHO to perform certain SPA requirements. The Article continues to state that NTBHA retains full responsibility for compliance with such requirements. At the direction of DSHS, NTBHA has agreed to delegate subcontracted responsibility for the clinical and administrative functions of the SPA to ValueOptions.

1.2 **ValueOptions' Authority**

ValueOptions is a corporation with authority to conduct business in the State of Texas. ValueOptions has a Certificate of Authority from the Texas Department of Insurance (TDI) to operate as a limited service health maintenance organization under Chapter 20A of the Insurance Code. ValueOptions is the sole contracted Behavioral Health Organization in the NorthSTAR SDA.

1.3 **State of Texas Approval**

1.3.1 The MOU is contingent upon the approval by the State of Texas.

**ARTICLE II DOCUMENTS CONSTITUTING MOU**

The MOU between the parties includes this document and all appendices and amendments to this document. All responses, representations, and assurances previously stipulated have either been incorporated into this MOU or have been eliminated. If any conflict exists, the terms of this MOU and any associated amendment shall prevail. All appendices referenced in this MOU are attached hereto and made a part of this MOU for all purposes.

**ARTICLE III ADMINISTRATION**

3.1 **Capacity**

ValueOptions will maintain the organizational, clinical, and administrative capacity necessary to fulfill the terms and responsibilities of this MOU. In addition, the providers with which ValueOptions subcontracts the clinical and administrative functions of the Single Portal Authority will demonstrate and subsequently maintain the organizational, clinical, and administrative capacity to fulfill their sub-contracted responsibilities.

3.2 **Primary Business Facility/Local Office**

3.2.1 ValueOptions will maintain a primary business facility within the NorthSTAR Service Delivery Area. ValueOptions' local office is located at the following physical and mailing addresses:

Physical Address: 1199 South Beltline Road, Suite 100, Coppell, TX 75019

Mailing Address: 1199 South Beltline Road, Suite 100, Coppell, TX 75019

Telephone: 1-888-800-6799

Fax: (972)906-2780

3.2.2 ValueOptions will notify NTBHA if the physical and/or mailing address to telephone/fax numbers of the local offices change. The notification will be made with as much notice as possible but no less than 72 hours prior to the change.

### 3.3 **Records**

The parties acknowledge that the processes and procedures described in this Agreement that deal with the release and/or use of personally identifiable health care information should comply with the privacy rules of the federal HIPAA law and regulations, which were effective April 1, 2003, and as amended.

3.3.1 ValueOptions will maintain the following records at the local office and provide, free of charge, NTBHA copies of each:

A. All policies, manuals, and standard operating procedures as they relate to the clinical and administrative functions of the Single Portal Authority (Due to NTBHA on or before the start of each contracting cycle or whenever significant changes are made).

B. An electronic list of providers (names, addresses, phone, fax, email, and licensure) contracted to provide NorthSTAR services, as well as those contracted to perform the clinical functions of the Single Portal Authority (Due to NTBHA on an ongoing basis as changes are made to the Provider Network).

C. An electronic list of facilities (names, addresses, contact persons, phone, fax and email) designated as facilities of the Single Portal Authority (Due to NTBHA prior to executing the contract or any changes to facilities are made).

D. All records relating to complaints and appeals regarding involuntary mental health treatment services from enrollees, providers, mental health courts, advocates and stakeholders (Due to NTBHA by the 15th day of each month).

E. All records relating to the Quality Improvement Programs as they relate to the Single Portal Authority (Due to NTBHA by the 15th day of each month).

F. All records needed to document and support reports of monthly activity (Due to NTBHA by the 15th day of each month).

3.3.2 All records required to be maintained under this MOU will be retained for a period of six years unless otherwise specified in this MOU. Original records will be kept in the form they were created/received for a minimum of two years following the end of this MOU term. Microfilm, digital, or electronic records may be substituted for the original records after the first two years if the system is reliable and is supported by a retrieval system that allows reasonable access to records.

### 3.4 **Organizational Chart**

- 3.4.1 ValueOptions will provide NTBHA, upon execution of this MOU, a current organizational chart that identifies all personnel responsible for monitoring of all SPA responsibilities.
- 3.4.2 The organizational chart will clearly identify each employee's name, telephone number, and email [if available].
- 3.4.3 Verification that employees who are responsible for any portion of the SPA functions complete a training course on the Single Portal Authority. The curriculum for the training provided to each employee regarding the statutes, regulations, policies, and procedures relative to the Single Portal Authority will be developed collaboratively with NTBHA.
- 3.4.4 ValueOptions will notify NTBHA within fifteen working business days of any change in key personnel in regards to providing and/or monitoring SPA responsibilities.
- 3.4.5 ValueOptions shall require all subcontractors to provide NTBHA with the information delineated in this clause. ValueOptions will provide, or cause to be provided, training relative to the clinical and administrative responsibilities of the Single Portal Authority to all subcontracted providers and ensure that NTBHA is aware of the training schedule.
- 3.5 **Responsibilities of the Behavioral Health Organization (ValueOptions)**

ValueOptions shall be responsible for ensuring:

- A. That placement and authorization decisions are rendered by qualified personnel and are based upon the definitions and requirements delineated in the statutes regarding involuntary mental health treatment;
- B. That protocols for the delivery of SPA clinical responsibilities are developed, in conjunction with NTBHA, and disseminated to all providers and stakeholders;
- C. That the SPA'S administrative decisions meet the requirements of the statutes, regulations, and mandates, including treatment in the most appropriate, least restrictive environment;
- D. That employees of the agencies with whom ValueOptions has subcontracted clinical and administrative responsibilities receive training on relevant policies and procedures as well as applicable statutes, regulations, and mandates prior to being assigned these responsibilities.
- E. That all required reports be forwarded to NTBHA electronically;
- F. That mechanisms are developed and implemented that readily identify irregularities and other problems in the commitment processes and that such irregularities and problems are communicated to NTBHA within five working days of their identification. Such monitors shall be developed collaboratively with NTBHA;

G. That NTBHA has copies of the pertinent sections of all provider contracts in which the clinical and administrative responsibilities of the SPA are subcontracted (Due to NTBHA before the start of each contracting cycle or when changes are made);and

H. That NTBHA receives copies of all records pertaining to complaints relative to the SPA (Due to NTBHA by the 15th day of each month).

### 3.6 **Subcontracts**

3.6.1 ValueOptions, as necessary, will subcontract all clinical and administrative functions of the SPA to qualified providers.

3.6.2 ValueOptions will maintain written subcontracts with all providers and monitor performance under the subcontracts. ValueOptions, in conjunction with NTBHA, shall develop performance incentives for Providers. For purposes of this MOU, subcontracts shall refer to the sections of written and binding agreements between ValueOptions and Providers relative to the clinical and administrative responsibilities of the Single Portal Authority.

3.6.3 ValueOptions will include in their contracts with the subcontracted providers that the SPA functions be performed irrespective of payer source.

3.6.4 All subcontracts are subject to the terms and conditions of this MOU and will contain the applicable statutory and regulatory statutes. All subcontractor payment arrangements, other than fee-for-service should be submitted to NTBHA for pre-approval.

3.6.5 ValueOptions is responsible for monitoring the work of providers pursuant to the Single Portal Authority and shall provide NTBHA with a description of how such work will be monitored. Such plan will be developed collaboratively with NTBHA. (Due to NTBHA at the start of each contracting cycle).

3.6.6 ValueOptions will include the following provisions in each SPA subcontract:

A. [Subcontractor/Provider] understands that services provided under this subcontract are funded by state and federal funds and that any violation by [Subcontractor/Provider] of applicable state and federal laws relating to the delivery of SPA services could result in liability for monetary damages, and/or civil and criminal penalties and sanctions under state and federal law;

B. [Subcontractor/Provider] understands and agrees that ValueOptions has the sole responsibility for payment of SPA designated administrative responsibilities rendered; In the event of ValueOptions' insolvency or cessation of operations. [Subcontractor/Provider]'s sole recourse shall be against ValueOptions:

C. [Subcontractor/Provider] understands and agrees that NTBHA is not liable or responsible for payment of any SPA service provided pursuant to the subcontract:

D. The subcontract is subject to state and federal fraud and abuse statutes and regulations. The [Subcontractor/Provider] will fully cooperate in any investigation of suspected fraud and abuse, allow access to and provide original records and copies of any and all information free of charge on request to any state or federal agency or their agents with authority to investigate fraud and abuse in NorthSTAR

E. [Subcontractor/Provider] will report any suspected fraud or abuse including and suspected fraud and abuse committed by ValueOptions to the State and to NTBHA; and

F. [Subcontractor/Provider] will permit NTBHA, and their authorized representatives, upon 24 hours prior notice, to have reasonable access, during normal business hours, to all buildings, records, information systems, and other information as necessary to enable NTBHA to monitor the SPA activities and processes associated with this MOU and any resultant subcontracts, subject to all applicable state and federal privacy requirements.

G. ValueOptions will submit copies of the portions of all subcontracts relevant to the SPA to NTBHA prior to the start of each contracting cycle or prior to executing a new contract.

### 3.7 **Quality Management Program (QMP)**

3.7.1 ValueOptions will develop, in collaboration with NTBHA, quality improvement monitors specific to the clinical and administrative functions of the SPA. Subcontracted providers shall be invited to participate in the development of a Quality Management Plan. Whether the provider participates in the plan's development or not, ValueOptions will require providers who have been subcontracted for the clinical and administrative SPA functions to gather the data necessary for implementation and monitoring of the QMP. This will be an annual report due to NTBHA.

3.7.2 ValueOptions shall allow NTBHA to appoint a representative to ValueOptions' Quality Improvement Committee.

### 3.8 **NTBHA Prior Approvals**

ValueOptions shall obtain prior approval from, and coordinate with, NTBHA for any material changes to how it operates the NorthSTAR Program, including but not limited to: provider payment structures, provider network addition/deletion, and utilization management changes.

### 3.9 **Bi-Monthly Reports**

ValueOptions shall send a bi-monthly email to the NTBHA Executive Director (and DSHS) summarizing program issues, system issues, provider and enrollee issues, and program/system changes contemplated. The format of this report shall be approved by NTBHA.

## **ARTICLE IV FISCAL REQUIREMENTS**

ValueOptions will provide NTBHA with copies of pertinent sections of all provider contract in which the clinical and administrative responsibilities of the SPA are subcontracted.

ValueOptions will provide NTBHA with any changes to the contract pertaining to the SPA for review before changes are fully executed. ValueOptions will provide NTBHA copies of the updated SPA related contract(s) no later than ten (10) business days after contract has been fully executed.

ValueOptions will provide NTBHA with Quarterly financial statements due to NTBHA no later than the fifteenth of the month of the new quarter.

ValueOptions will provide NTBHA financial data specified herein as requested by NTBHA no later than ten business days of the request being made.

## **ARTICLE V STATUTORY AND REGULATORY COMPLIANCE REQUIREMENTS**

### **5.1 Compliance with Federal, State, and Local Laws**

**5.1.1** ValueOptions will know, understand, and comply with all state and federal laws and regulations relating to involuntary mental health treatment. These laws and regulations include, but not exclusively, the following:

- A. Health and Safety Code (HS&C) §574.012: Recommendations for Treatment;
- B. Health and Safety Code §9574.023: Apprehension Under Order;
- C. Health and Safety Code §9574.027: Detention in Protective Custody;
- D. Health and Safety Code §5575.011: Transfer to State Hospital or Single Portal Authority;
- E. Title 25, Texas Administrative Code: Admissions, Transfers, Absences, and Discharges
  - 1. §402.4(h): Recommendation for Treatment
  - 2. §402.5(a): General Provisions for Admissions
  - 3. §402.5(d): Irregularities with Commitments
  - 4. §402.10 Emergency Detentions:
  - 5. §5402.11 Court-Ordered Admissions
  - 6. §402.13 Outpatient Services:

7. §5402.14 Re-examination of Persons Court-Ordered to Extended Mental Health Services:

8. §5402.15 General Provisions for Discharges

9. §9402.17 Discharge of Persons Court-Ordered to Inpatient and Outpatient Mental Health Services;

F. Article 16.22 Code of Criminal Procedure, as amended by H.B. 1071: AN ACT relating to certain procedures used to deal with a criminal defendant or juvenile suspect who may have a mental illness;

G. Title 25, Texas Administrative Code: Chapter 4028: Continuity of Services-Mental Health Facilities;

1. §402.57: Pre-admission Screening, Referral, and Determination of the Least Restrictive Environment.

## 5.2 **Safeguarding Information**

5.2.1 ValueOptions will comply and require its subcontractors as well as any other individual or agency involved in the delivery of SPA services to comply with all state and federal laws and regulations regarding confidentiality, including but not limited to, the following:

A. 42 CFR, Part 2;

B. 42 CFR, Part 431, Subpart F;

C. Section 576.005, Health and Safety Code:

D. Chapter 611, Health and Safety Code;

E. Chapter 85, Health and Safety Code: and

F. 25 TAC, Chapter 414, subchapter A, relating to Client-identifying Information

5.2.2 ValueOptions will use all confidential information only to carry out the duties and responsibilities under this MOU. ValueOptions shall use at least the same standard of care in the protection of confidential information as ValueOptions uses to protect its own confidential and proprietary information. Whenever appropriate, HIPAA guidelines must be adhered to.

5.2.3 ValueOptions will take such reasonable measures as are necessary to restrict employees, subcontractors, agents who are authorized by law to receive confidential information on a "need-to-know" basis, and any other individual/agency involved in the commitment processes including, but not exclusively, medical facilities, law enforcement agencies, faith based agencies, and family members. ValueOptions shall advise such parties of ValueOptions' obligations under this MOU.

- 5.2.4 ValueOptions will notify NTBHA immediately, in writing, if ValueOptions determines or has reason to suspect a breach of the requirements of this section.

## ARTICLE VI CLINICAL SERVICES

- 6.1 ValueOptions' SPA sub-contractor will screen facility and provider requests for orders of protective custody based on clinical information obtained from applications and Certificates of Medical Exam.

Prior to contacting the SPA subcontractor, independent, qualified providers will perform the following clinical functions:

A. Assessment to ascertain the appropriateness (reasonable presumption of mental impairment) of admission to a behavioral health facility for all persons for whom an application for emergency detention or court-ordered services has been filed and filing relevant report with the court prior to the hearing date:

1. The SPA subcontractor will ensure the assessment identifies the least restrictive, most appropriate treatment modality,

2. Independent providers are defined as those providers who have no relationship other than contractual with ValueOptions, NTBHA, or the State; the exception being the relationship between the Community Mental Health Centers and DSHS. Employees of the Provider performing functions pursuant to this MOU shall be licensed appropriately,

B. Provide treatment pursuant to the statutes and regulations aforementioned and make recommendations to the Court and BHO regarding the continued need for court ordered mental health services;

C. Admit a person under protective custody until a final order for court-ordered behavioral health services is entered or the person is released or discharged pursuant to specifications in HS&C§ 574.028:

D. Conduct a thorough psychiatric evaluation to determine the presence of contraindications to commitment as described in 25 TAC, Section 402.5(c). If such contraindications are present, the provider shall recommend discharge of the person:

E. Request transfer of patients when it is in the best interest of the consumer to transfer and which adheres to all federal and state regulations governing patient transfers:

F. If the responsible court orders a re-examination and re-hearing for a person court-ordered to extended mental health services, the Provider shall conduct the re-examination. If the person no longer meets the requirements, the Provider may recommend discharge of the person. If criteria are met, the Provider shall file a Certificate of Medical Examination with the court within 10

days of the re-examination. The Provider shall also notify the SPA of the need for and status of the re-examination;

## **ARTICLE VII ADMINISTRATIVE RESPONSIBILITIES**

- 7.1 ValueOptions shall subcontract the following administrative functions of the SPA:
- A. Review of the clinician's assessment in order to certify that the conditions necessary for court ordered mental health treatment is met;
  - B. Certify to the court that the conditions for court ordered mental health treatment have been met;
  - C. Submit recommendations to the court as they relate to court ordered mental health treatment;
  - D. Coordinate care for court ordered mental health services based upon the assessment;
  - E. Assure, based on the clinician's assessment, that treatment is recommended on the least restrictive and most appropriate environment
- 7.2 The administrative functions of the Single Portal Authority will be sub-contracted and cannot be performed by ValueOptions.
- 7.3 Identify irregularities and problems in the commitment process and notify NTBHA of such irregularities and problems as well as collaborate with NTBHA and other entities to resolve such. Notification is to occur within 5 business days of identification.
- 7.4 Both parties shall require that the other party be a participant in any meeting with state and county officials as well as judges, court coordinators and law enforcement in relation to court ordered, involuntary mental health treatment and/or activities of the Single Portal Authority whether the meeting is held/requested/attended by ValueOptions, NTBHA, and/or the subcontractor.
- 7.5 Ensure that subcontracted providers file the appropriate reports prior to the hearing date and maintain some form of documentation (e.g., a performance log) in order to ascertain patterns/trends of non-compliance. Such documentation is to be provided to NTBHA within five days of request.
- 7.6 ValueOptions will not seek court ordered mental health services for any consumer voluntarily presenting for treatment.
- 7.7 ValueOptions will notify NTBHA, within 24 hours from the time ValueOptions has knowledge of any court ordered person whose court order expires without the individual being discharged.

- 7.8 ValueOptions will submit quarterly and annual reports indicating those NorthSTAR consumers who have been court ordered into mental health services more than twice in the contract year.

#### **ARTICLE VIII COMPLAINTS AND APPEALS AND AUDITS**

Inasmuch as consumer lives are involved in the decisions of those performing the clinical and administrative functions of the Single Portal Authority, it is imperative that complaints and appeals be addressed in an expeditious manner and that the consumer's treatment be initiated as quickly as possible. It is not acceptable for a consumer's treatment to be placed on hold indefinitely due to any reason other than the consumer's desires.

- 8.1 For the purposes of this MOU, the following definitions apply:

A. Complaint; Those issues which can be addressed and resolved by NTBHA Ombudsman and/or the Medical Director or other designated employee of ValueOptions:

B. Appeals: Those issues which were not resolved in the Complaint process and an additional review are requested by either the consumer/family member, the provider, ValueOptions, and/or NTBHA; and

C. Grievances: Those issues in which the initial action cannot be reversed and are of such magnitude that the health and safety of the consumer and/or community are harmed or are placed at risk.

- 8.2 ValueOptions shall provide all records, formal and informal, necessary for NTBHA or a NTBHA-selected, independent third party to investigate and resolve complaints, appeals and grievances relative to all SPA functions.
- 8.3 ValueOptions shall be responsible for all costs associated with the investigation and review of all appeals and grievances.
- 8.4 Due to the emergent aspect of involuntary treatment, complaints regarding SPA processes or decisions will be resolved within 4 hours of becoming aware of the issue.
- 8.5 Appeals, if the clinician elects to appeal, will be resolved within 4 hours from the time that an adverse decision is rendered.
- 8.6 ValueOptions shall insure that all providers contracted to provide the clinical and administrative functions of the SPA and all SPA designated facilities are aware of the complaint and appeals procedures.
- 8.7 ValueOptions' Medical Director shall participate in all Appeals hearings.
- 8.8 ValueOptions shall participate in the investigation/resolution of all grievances and make a good faith effort to implement recommendations generated as a result of the grievance process.

- 8.9 ValueOptions will provide NTBHA with a report of all complaints and appeals received no later than the fifteenth (15<sup>th</sup>) of every month for the preceding month. This report should delineate those complaints not closed within thirty (30) days of the complaint being submitted.
- 8.10 Any complaints submitted to ValueOptions by NTBHA are subject to the same thirty (30) day turnaround time as outlined in the DSHS/ValueOptions contract.
- 8.11 NTBHA has the right to audit any aspect of ValueOptions' functions as it pertains to the NorthSTAR system except attorney-client communications. Any requests to review records must be fulfilled within ten (10) working days of the original request. Any response required of ValueOptions to NTBHA as a result of the audit will require a response within thirty (30) days of the original request.
- 8.12 NTBHA has the right to issue corrective action plans (CAP's) as a result of any investigation into complaints, appeals, and/or audits. If ValueOptions does not agree with the findings of the NTBHA investigation and subsequent CAP, ValueOptions has the right to issue an appeal to NTBHA and/or DSHS for further review. Any appeal submitted to NTBHA will be responded to within thirty (30) days of receiving the appeal request.

**ARTICLE IX CONTINUITY OF CARE**

Continuity of care is the cornerstone of public mental health. As such, NTBHA views continuity of care as one of the most important considerations in the treatment of persons with a mental illness.

- 9.1 ValueOptions will assume responsibility for the continuity of care for all consumers from the NorthSTAR Service Delivery Area receiving care in the state hospitals and will coordinate with NTBHA for elements of this process managed by NTBHA in accordance with the NorthSTAR Operating Procedure, "Change County Code for Client Residing Outside of NorthSTAR Service Delivery Area", signed by the DSHS Contract Manager.
- 9.2 ValueOptions will require that all providers and employees involved in the SPA functions are familiar with the statutes, regulations and mandates relating to Continuity of Care.
- 9.3 ValueOptions will require that all providers be aware of and versant in all services available under NorthSTAR.
- 9.4 ValueOptions will require that discharge planning commences at the onset of the consumer's treatment in the state hospital and that such discharge planning occur during treatment team meetings. Such discharge planning shall include a Continuity of Care plan.
- 9.4.1 ValueOptions will assign a NorthSTAR SPN Provider for each consumer admitting to the state hospital upon admission. ValueOptions will notify the assigned SPN Provider of the admission,

which will allow the SPN Provider to be involved in treatment team meetings as needed and continuity of care planning.

- 9.5 ValueOptions shall assume the responsibility for placement outside the hospital, once the treatment team and/or courts have determined that a hospital environment is no longer the least restrictive, most appropriate level of care.
- 9.6 Once the hospital treatment team has determined that the patient should be discharged to another level of care (i.e., outpatient, nursing home, assisted living, etc.), ValueOptions will transfer and/or otherwise effectuate the movement of the consumer to the recommended level of care within 72 hours of the treatment team's determination or document and forward such documentation to NTBHA the reasons for delaying discharge and a plan of action to accomplish said discharge.
- 9.7 ValueOptions will facilitate the continuity of care as outlined in statutes for all consumers receiving care in the state hospitals, including those state hospital patients for whom nursing homes are the least restrictive and most appropriate levels of care;
- 9.8 ValueOptions will coordinate placement and transfer of patients entering nursing homes from the state hospital or returning to the state hospital from a nursing home;
- 9.8.1 NTBHA will assume responsibility for the continuity of care of all consumers from the NorthSTAR Service Delivery Area receiving care at Waco Center for Youth Residential Treatment Facility.
- 9.8.2 NTBHA will assume responsibility for the continuity of care of all consumers from the NorthSTAR Service Delivery Area receiving care at Texas Youth Commission except for Dallas County, which is coordinated directly through Metrocare Services per a contract with TCOOMMI.

## **ARTICLE X PASRR**

Pre-Admission Screening and Resident Review (PASRR) for nursing facility residents is a federally mandated program that requires any person seeking admission into a Medicaid-certified nursing facility to be screened for a potential diagnosis of mental illness, mental retardation, or a related condition. In accordance with 40 Texas Administrative Code (TAC), Chapter 19, Subchapter Z, §19.2500, persons with one of these conditions must have PASRR screening forms completed prior to admission or upon a change of condition. The screening is administered and a determination made as to whether the individual: 1) meets medical necessity for a nursing facility level of care; 2) may benefit from specialized services in the nursing facility; or 3) is best suited for an alternative placement. The Department of State Health Services (DSHS), as the State Mental Health Authority, is responsible for the screenings for persons suspected of having a mental illness.

ValueOptions shall be responsible for ensuring:

A. That the PASRR'S administrative decisions meet the requirements of the statutes, regulations, and mandates, including treatment in the most appropriate, least restrictive environment;

B. That employees of the agencies with whom ValueOptions has subcontracted clinical and administrative responsibilities receive training on relevant policies and procedures as well as applicable statutes, regulations, and mandates prior to being assigned these responsibilities.

C. That NTBHA has copies of the pertinent sections of all provider contracts in which the clinical and administrative responsibilities of the PASRR are subcontracted (Due to NTBHA before the start of each contracting cycle or when changes are made); and

D. That NTBHA receives copies of all records pertaining to complaints relative to the PASRR (Due to NTBHA by the 15th day of each month).

E. ValueOptions, as necessary, will subcontract all clinical and administrative functions of the PASRR to qualified providers.

#### **ARTICLE XI TCOOMMI**

Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) has several programs that have been delegated to and contracted with ValueOptions. ValueOptions shall ensure provision of jail diversion and intensive case management services developed in cooperation with NTBHA and TCOOMMI.

10.1 ValueOptions will provide NTBHA, upon execution of this MOU, a current organizational chart that identifies all personnel responsible for monitoring of all TCOOMMI programs.

#### **ARTICLE XII JAIL MATCH/TLETS**

ValueOptions shall comply with all Jail Match reporting obligations to NTBHA contained in Section 9.6.3 of the NorthSTAR contract.

#### **ARTICLE XIII COUNTY OF RESIDENCE CHANGES AND DISCHARGES**

ValueOptions will notify NTBHA of consumers who may not live in the NorthSTAR service area via encrypted e-mail. NTBHA shall follow-up within 3 business days for inpatient care and 10 business days for outpatient care by contacting the affected mental health authority. NTBHA shall follow-up promptly with ValueOptions on the outcome of such contact. For consumers who have relocated to the NorthSTAR service area, NTBHA will notify ValueOptions via encrypted e-mail. ValueOptions shall follow-up within 3 business days for inpatient care and 10 business days for outpatient care and follow-up promptly with NTBHA on the outcome of the research into the validity of the NorthSTAR County of

residence. ValueOptions and NTBHA will follow the NorthSTAR Operating Procedure, "Change County Code for Client Residing Outside of NorthSTAR Service Delivery Area", signed by the DSHS Contract Manager.

ValueOptions shall review State Hospital bed day reports daily and promptly notify NTBHA of consumers on the NorthSTAR bed day report that are believed to not be residents of the NorthSTAR service area via encrypted e-mail. NTBHA shall follow-up within 3 business days by contacting the affected mental health authority and follow-up promptly with ValueOptions on the outcome of such contact.

#### **ARTICLE XIV REPORTS AND DATA**

NTBHA is the designated Single Portal Authority for Collin, Dallas, Ellis, Hunt, Kaufman, Navarro, and Rockwall counties. At the direction of the State, NTBHA has delegated the clinical and administrative functions of the SPA to ValueOptions. NTBHA will monitor this delegation through the following:

13.1 ValueOptions is responsible for providing NTBHA all necessary data on or before the 15th day of each month. In addition to the reports/data delineated elsewhere in this MOU, ValueOptions will work collaboratively with NTBHA and the mental health courts of each county to develop a system to obtain the following data:

A. Data pertaining to the number of:

1. Individuals placed under emergency detention order,
2. Individuals released prior to probable cause hearing
3. Signed orders of protective custody following probable cause hearings,
4. Individuals released prior to the full 14 day hearing.
5. Individuals released at the time of the 14 day hearing.
6. Individuals committed at the time of the 14 day hearing, and
7. Individuals ordered into outpatient services;

B. Delineation of any irregularities noted with the commitment process and a narrative of actions with respect to correcting/reporting these irregularities.

C. ValueOptions shall report new generation waiting list information to NTBHA (and DSHS) in a format agreed upon by ValueOptions, NTBHA and DSHS.

D. All reports submitted by ValueOptions to DSHS shall also be forwarded to NTBHA.

**ARTICLE XV PENDING AND THREATENED LITIGATION**

ValueOptions and its subcontractors represents that it is not aware of any pending litigation or administrative action against each that would prevent and/or interfere with the fulfillment and administration of this MOU. Each of the above named entities will notify NTBHA of any litigation which is initiated, threatened, or suspected which would prevent and/or interfere with the fulfillment and administration of the SPA responsibilities. Notice shall be in writing and shall be provided to NTBHA within 5 working days of receiving service or becoming aware of the threatened/suspected litigation.

**ARTICLE XVI NONDISCRIMINATION**

15.1 ValueOptions will comply and will require provider compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d, 45 CFR Part 80) which prohibits recipients of federal financial assistance from discriminating against persons based on race, color, or national origin. This means that a limited English proficient individual is entitled to equal access to and participation in all services provided through the SPA functions.

15.2 ValueOptions agrees to comply with and to require all subcontractors of SPA functions to comply with each of the following requirements:

A. Title VI of the Civil Rights Act of 1964:

B. Section 504 of the Rehabilitation Act of 1973:

C. The Americans with Disabilities Act of 1990; and

D. All requirements imposed by the regulations implementing these acts, and all amendments to the laws and regulations. The regulations provide in part that no person in the United States shall on the grounds of race, color, national origin, sex, age, disability, political beliefs or religion be excluded from participation in, or denied, any aid, care, service, or other benefits, or be subjected to any discrimination under any program or activity receiving federal funds

E. The provisions of Executive Order 11246, as amended by 11375, relating to Equal Employment Opportunity.

**ARTICLE XVII INDEMNIFICATION**

16.1 Each party and its subcontractors shall indemnify and hold harmless the other party, its board members, employees, and agents for any and all claims, costs, damages, and expenses, including court costs and attorney's fees, which are related to or arise out of:

A. any failure, inability, or refusal of the indemnifying party or any of its providers or subcontractors to provide covered services pursuant to this MOU;

B. claims arising from negligent or intentional conduct by the indemnifying party, its providers or subcontractors, or customers in the performance of this MOU; and

C. Failure, inability or refusal of ValueOptions to pay any of the providers of services/goods authorized pursuant to the terms of this MOU for covered services except where such refusal is permitted under the programs being administered by ValueOptions.

#### **16.2 Independent Contractor**

ValueOptions and NTBHA are independent legal entities. ValueOptions and its subcontractors do not perform services under this MOU as employees or agents of NTBHA.

#### **ARTICLE XVIII AMENDMENT**

This MOU shall be amended if an amendment is required to comply with changes in state or federal laws, rules, or regulations or to comply with any Contract requirements between the State and NTBHA. This MOU may be amended at any time subject to the majority vote of the NTBHA Board of Directors. All amendments to this MOU shall be in writing and signed by NTBHA and ValueOptions.

#### **ARTICLE XIX LAW, JURISDICTION, AND VENUE**

Venue and jurisdiction shall be the state and federal courts of Dallas County, Texas. The laws of the State of Texas shall be applied in all matters of state law.

#### **ARTICLE XX NON-WAIVER**

Failure to enforce any provision or breach shall not be taken by either party as a waiver of the right to enforce the provision or breach in the future.

#### **ARTICLE XXI SEVERABILITY**

Any part of this MOU that is found to be unenforceable, invalid, void, or illegal shall be severed from the MOU. The remainder of The MOU shall be effective.

**ARTICLE XXII ASSIGNMENT**

This MOU was awarded to ValueOptions. This MOU may not be assigned by ValueOptions without the prior, express written authorization of NTBHA's Board of Directors. This provision does not prevent the purchase of goods/services pursuant to the terms of this MOU.

**ARTICLE XXIII NOTICES**

Unless specified otherwise in this MOU, all notices, reports, plans, documents, and other information submitted to the State shall be addressed to:

North Texas Behavioral Health Authority

Attn: Executive Director

1201 Richardson Drive

Suite 270

Richardson, Texas 75080

Notices to the ValueOptions shall be addressed to:

ValueOptions

Attn: Vice President Public Programs

1199 South Beltline Road

Suite 100

Coppell, TX 75019

**ARTICLE XXIV SURVIVAL**

The provisions of this MOU relating to the obligations of ValueOptions to safeguard information shall survive the expiration or early termination of this MOU in perpetuity.

The provisions of this MOU relating to the obligations of ValueOptions to maintain records and reports shall survive the expiration or earlier termination of this MOU for a period not to exceed six (6) years unless another period may be required by record retention policies of the State of Texas.

## **ARTICLE XXV ENTIRE AGREEMENT**

All oral and written agreements between ValueOptions and NTBHA relating to the subject matter herein that were made prior to the execution of this MOU have been reduced to writing and are contained in this MOU, by direct inclusion or incorporation by reference.

## **ARTICLE XXVI Default**

NTBHA and ValueOptions shall comply with all applicable provisions of this MOU and any amendments, and shall act in good faith in the performance of these provisions. The parties acknowledge that failure to comply with any material provision of this MOU is a default subjecting such party to the remedies and actions described in this MOU.

Prior to imposing remedies or taking any actions specified in this MOU, the non-defaulting party will deliver to the other party a written notice of default under this MOU. The notice may be delivered by any means that provides confirmation of receipt. The notice of default will contain a statement of party's conduct constituting a default, the MOU provision defaulted, a statement of whether the default may be cured, the time period for curing the default which shall be a minimum of 30 business days, and the remedy or action to be taken.

## **Article XXVII Remedies and Actions**

Either party may respond to potential or actual breach by the other party by taking any one or more of the following actions:

- A. sending informal notice;
- B. conducting telephone and mail inquires;
- C. requesting the other party to respond in writing to identified problems and/or concerns;
- D. referring staff for further investigation;
- E. requesting intervention by the State;
- F. requiring corrective action;
- G. suspension of the MOU;
- H. termination of the MOU: and
- I. requesting that the state withhold payment until a remedy is effectuated.

## **ARTICLE XXVIII Termination**

24.1 Either party may terminate this MOU if:

A. The other party materially defaults under provisions of this MOU:

B. Federal and State funds are no longer available:

C. Either party has a reasonable and documentable belief that the other party has placed the health and welfare of service recipients in jeopardy,

D. the State does not approve the MOU: or

E. ValueOptions' contract with the State of Texas has been terminated and/or expired.

24.2.1 Each party shall give written notice by any means that verifies receipt. The termination date will be calculated from the date that the non-notifying party receives the notice of intent to terminate.

24.3 ValueOptions is entitled to a hearing with NTBHA or DSHS prior to termination of this MOU.

## **ARTICLE XXIX Term**

This MOU's effective date is upon signing and its expiration date is August 31, 2013, unless terminated earlier as provided elsewhere in this MOU. If either party intends not to renew this MOU beyond its expiration date, the party intending not to renew shall submit a written notice of its intent to not renew to the other party no later than 60 days before the MOU expiration date.

This MOU may be terminated at any time and without cause by either party upon at least sixty (60) days prior written notice.

## **ARTICLE XXX Duties of Parties Upon Termination or Nonrenewal of MOU**

26.1 General Duties

When notification of termination or non-renewal of this MOU occurs, the parties will meet the following obligations:

A. ValueOptions will collaborate with NTBHA in the development of a mutually agreeable transition plan; and

B. ValueOptions will provide all reports,documentation,etc. to NTBHA in accordance with the agreed upon transition plan.

IN WITNESS WHEREOF, this MOU has been executed by the duly authorized representatives of the parties hereto as of the *3/4<sup>th</sup>* day of *ct?..f --*; 2011

For The North Texas Behavioral Health Authority

*Alex B. Smith*

Alex B. Smith, Executive Director

For ValueOptions

*Eric C. Hunter*

Eric C. Hunter, Service Center Vice President

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