BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: November 22, 2016
or Procurement Director Award ☐

Contractor/Vendor Name (DBA): Banner Health

Project Title/Description:
Court Ordered Evaluation (COE) Services pursuant to Arizona Revised Statutes (ARS) Title 36, Chapter 5

Purpose:
The contract between Pima County and Banner Health provides for the provision of involuntary commitment services, with Pima County oversight, which are hospital-based psychiatric services required pursuant to ARS Title 36, Chapter 5, COE. Amendment 3 extends the term of the contract for a period of ten (10) months and increases the compensation to allow payment for the continued provision of court ordered evaluation services during the extended term of the Agreement.

Procurement Method:
N/A - this is an amendment so therefore not applicable.

Program Goals/Predicted Outcomes:
This amendment extends the contract for ten (10) months, from December 1, 2016 and terminates on September 30, 2017 and increases the compensation by $1,500,000 to allow payment for the continued provision of court ordered evaluation services during the extended term of the contract.

Public Benefit:
As a result of Pima County directly administering COE services instead of an outside Vendor, a lower cost will be achieved and overhead expenses will be significantly reduced.

Metrics Available to Measure Performance:
For quality assurance, performance measures identified by Pima County and Contractor will be provided on a monthly basis as set forth in Exhibit D (Reporting) of the contract.

Retroactive:
No

To: COB. 10.27.16 (2)
pgs-19

Procure Dept 10/26/16 PM03:12

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

☐ Expense Amount: $ _____ ☐ Revenue Amount: $ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

Vendor is using a Social Security Number? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CT Department Code: OMS Contract Number (i.e.,15-123): 16*0048/16*0124

Amendment No.: 3 AMS Version No.: 6

Effective Date: 12/1/2106 New Termination Date: 9/30/2017

☒ Expense ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: $ 1,500,000.00

Funding Source(s): Pima County General Fund

Cost to Pima County General Fund: $1,500,000.00

Contact: Roxanne Ziegler

Department: OMS/Behavioral Health Telephone: 724-7834

Department Director Signature/Date: Donna Whiting 10/24/16

Deputy County Administrator Signature/Date: [signature] 10/24/2016

County Administrator Signature/Date: C. Richard Elias 10/26/16

(Required for Board Agenda/Addendum Items)

PIMA COUNTY BEHAVIORAL HEALTH DEPARTMENT

PROJECT: COURT ORDERED EVALUATION SERVICES PURSUANT TO ARS TITLE 36, CHAPTER 5

CONTRACTOR: Banner Health, 2901 N. Central Avenue, Suite 106, Phoenix, AZ. 85012

CONTRACT NO.: CT-OMS-16*0048, CT-OMS-16*0124

CONTRACT AMENDMENT NO.: Three (03)

CONTRACT
NO. CT-OMS-16-048 : CT-OMS-16-124
AMENDMENT NO. 03
This number must appear on all invoices, correspondence and documents pertaining to this contract.

ORIG. CONTRACT TERM: 10/01/2015 – 09/30/2016		**ORIG. CONTRACT AMOUNT:**	$1,500,000.00
TERMINATION DATE PRIOR AMENDMENT: 11/30/2016		**PRIOR AMENDMENTS:**	$0.00
TERMINATION THIS AMENDMENT: 09/30/17		**AMOUNT THIS AMENDMENT:**	$1,500,000.00
		REVISED CONTRACT AMOUNT:	$3,000,000.00

CONTRACT AMENDMENT

WHEREAS, COUNTY and CONTRACTOR have entered into an Agreement for services as referenced above; and

WHEREAS, CONTRACTOR and COUNTY wish to extend the agreement for a period of 10 months and increase the compensation to allow payment for the continued provision of court ordered evaluation services during the extended term of the Agreement.

NOW, THEREFORE, it is agreed as follows:

CHANGE: ARTICLE 1 – TERM AND EXTENSION/RENEWAL/CHANGES

From: This Agreement commences on October 1, 2015 and terminates on September 30, 2016, unless sooner terminated or further extended pursuant to the provisions of this Agreement. The parties may renew this Agreement for up to four (4) additional one-year periods or any portion thereof. Negotiation of rates for future years beyond the initial term, if applicable, shall commence by one hundred and eighty (180) days prior to, and must be completed by ninety (90) days prior to, the expiration of the existing contract term.

To: This Agreement commences on October 1, 2015 and terminates on September 30, 2017, unless sooner terminated or further extended pursuant to the provisions of this Agreement. The parties may renew this Agreement for up to three (3) additional one-year periods or any portion thereof. Negotiation of rates for future years beyond the initial term, if applicable, shall commence by one hundred and eighty (180) days prior to, and must be completed by ninety (90) days prior to, the expiration of the existing contract term.

CHANGE: ARTICLE III – COMPENSATION AND PAYMENT

Add: Contract terms regarding claims submission, timelines, payment, and denials are as set forth in **EXHIIT B: COMPENSATION.**

CHANGE: ARTICLE IV- INSURANCE

From: a) Commercial General Liability in the amount of $1,000,000.00 per occurrence and $2 million general aggregate. COUNTY, including its employees, officers and officials are to be named as an additional insured for all operations performed within the scope of the Agreement between COUNTY and

CONTRACTOR. Such additional insured shall be covered to the full limits of liability purchased by CONTRACTOR, even if those limits of liability are in excess of those required by this Agreement;

To: **Commercial General Liability (CGL):** Occurrence Form covering liability arising from premises, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations with minimum limits not less than $2,000,000 Each Occurrence and $2,000,000 General Aggregate.

From: Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Agreement with limits in the amount of $1,000,000.00 combined single limit or $1,000,000.00 Bodily Injury, $1,000,000.00 Property Damage;

To: **Business Automobile Liability:** Coverage for any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Contract with minimum limits not less than $1,000,000 Each Accident.

From: Workers' compensation insurance to cover obligations imposed by state statutes having jurisdiction of CONTRACTOR's employees engaged in the performance of the work or services under this Agreement; and Employer's Liability insurance of not less than: $500,000 for each accident, $500,000 disease for each employee, and; $1,000,000 disease policy limit.

To: **Workers' Compensation (WC) and Employers' Liability:** Arizona statutory coverage for Workers' Compensation with Employers Liability limits of $1,000,000 each accident, $1,000,000 each employee – disease and $1,000,000 policy limit.

Add: Network Security (Cyber) and Privacy Liability with coverage limits of $2,000,000 each claim and $5,000,000 annual aggregate. Insurance shall include, but not be limited to, coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs.

CHANGE: ARTICLE XV – TERMINATION OF AGREEMENT FOR DEFAULT

From: A. Upon a failure by CONTRACTOR to cure a default under this Agreement within thirty (30) days of receipt of notice from COUNTY of the default, COUNTY may, in its sole discretion, terminate this Agreement for default by written notice to CONTRACTOR. In this event, COUNTY may take over the work and complete it by contract or otherwise. In such event, CONTRACTOR will be liable for any damage to the COUNTY resulting from CONTRACTOR's default, including any increased costs incurred by COUNTY in completing the work.

To: A. Both parties agree to use best efforts to cure a default under this Agreement within thirty (30) days of receipt of notice of the default If the default is cured within thirty (30) days this Agreement shall remain in full force and effect. If the defaulting party fails to cure the default within thirty (30) days of receipt of notice, the non-defaulting party may terminate this Agreement by providing the defaulting party thirty (30) days' prior written notice of termination.

CHANGE: ARTICLE XVI – TERMINATION FOR CONVENIENCE

From: COUNTY reserves the right to terminate this Agreement at any time and without cause by serving upon CONTRACTOR thirty (30) days' advance written notice of such intent to terminate. In the event of such termination, the COUNTY'S only obligation to CONTRACTOR will be payment for services rendered prior to the date of termination.

To: Either party may terminate this Agreement at any time and without cause with thirty (30) days' advance written notice of such intent to terminate. In the event of such termination, the COUNTY'S only obligation to CONTRACTOR will be payment for services rendered prior to the date of termination.

CHANGE: ARTICLE XVII – REMITTANCES AND NOTICES

From: CONTRACTOR:
David Bixby, Sr. Vice President & General Counsel
Banner Health
441 N. 12th Street
Phoenix AZ 85006
Ph: 602.747.4130

John Neunner, Managed Care Contracting Sr. Dir.
Banner Health
1441 N. 12th Street
Phoenix AZ 85006
Ph: 602.747.4636

To: CONTRACTOR:
David Bixby, Sr. Vice President & General Counsel
Banner Health
2901 N. Central Ave., Suite 106
Phoenix, AZ 85012
Ph: 602.747.4130

Lori A. Andersen, RN, MS
Managed Care Operations Senior Director
Banner Health
2901 N. Central Ave., Suite 106
Phoenix, AZ 85012
Ph: 602.747.4062

REPLACE: The following Exhibits:

Exhibit A: SCOPE OF SERVICES
Exhibit B: COMPENSATION
Exhibit D: REPORTING
Exhibit E: GLOSSARY

WITH: The attached Exhibits:

Exhibit A: SCOPE OF SERVICES – 2016-2017 (5 pages)
Exhibit B: COMPENSATION – 2016-2017 (5 pages)
Exhibit D: REPORTING – 2016-2017 (2 pages)
Exhibit E: GLOSSARY – 2016-2017 (3 pages)

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

APPROVED

Chair, Board of Supervisors

Date

CONTRACTOR

Authorized Officer Signature

Chuck Lehn, EVP, Strategic Growth

Printed Name and Title

10/20/16

Date

ATTEST

Clerk of Board

Date

APPROVED AS TO FORM

Deputy County Attorney

Paula Perrera

Print DCA Name

10/25/16

Date

APPROVED AS TO CONTENT:

Dana Whiting

Department Head

10/24/16

Date

EXHIBIT A: SCOPE OF SERVICES – 2016-2017

A. INVOLUNTARY COMMITMENT COVERED SERVICES:

CONTRACTOR shall provide involuntary commitment services, which are hospital-based psychiatric services required pursuant to Arizona Revised Statutes Title 36, Chapter 5, Article 4, Court Ordered Evaluations (COE). Hospital-based psychiatric services include the following:

1. Emergency Department (ED) Services: CONTRACTOR shall provide all necessary emergency psychiatric services to Proposed Patients who present or are presented to CONTRACTOR for mental health services through CONTRACTOR'S Emergency Department or, pursuant to the requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. § 1395dd, regulations which are set forth in the Code of Federal Regulations, 42 C.F.R. 489.24, 42 C.F.R. 413.65 and C.F.R. 489.20, at other sites located on CONTRACTOR's premises.

2. Psychiatric Admissions: CONTRACTOR shall provide necessary psychiatric services, limited to those offered by CONTRACTOR, to Proposed Patients admitted pursuant to an Application for Emergency Admission for Evaluation or a Court Order for Evaluation.

    a. CONTRACTOR shall provide services in compliance with the provisions of ARS Chapter 5, Article 4. Notwithstanding statutorily permissible timeframes, CONTRACTOR must:

        1. Ensure that evaluations are performed as required under ARS Chapter 5, Article 4, and, if clinically appropriate, submit to the Pima County Attorney the Petition for Court Ordered Treatment, if any, on the same or the next business day following the completion of the second evaluation. Court ordered evaluations must be performed by licensed psychiatrists, except that, pursuant to ARS 36-501, a psychiatric resident in a training program approved by the American Medical Association or by the American Osteopathic Association may examine the person in place of one of the psychiatrists if he is supervised in the examination and preparation of the affidavit and testimony in court by a qualified psychiatrist appointed to assist in his training, and if the supervising psychiatrist is available for discussion with the attorneys for all parties and for court appearance and testimony if requested by the court or any of the attorneys. In the event an evaluation required pursuant to this section is performed by a psychiatric resident, the second required evaluation must be performed by a psychiatrist other than the psychiatrist supervising the psychiatric resident.

        2. Ensure that Proposed Patients are offered every opportunity, as clinically appropriate, to participate in treatment on a voluntary basis at any time during the involuntary commitment-related hospital stay, including on weekends and holidays, with appropriate documentation to be filed with the Court, on the first available business day thereafter. CONTRACTOR shall ensure that daily assessments of Proposed Patients as to their ability and willingness to participate in treatment on a voluntary basis are documented in the Proposed Patient's medical record.

        3. Ensure that Proposed Patients are assessed on a daily basis, including on weekends and holidays, to determine whether Proposed Patients continue to be suitable for involuntary commitment. If, at any point during the stay, including weekends and holidays, Proposed Patients are found not to be suitable for involuntary commitment under ARS Title 36, Chapter 5, CONTRACTOR shall remove the Proposed Patient from the involuntary commitment process and either discharge Proposed Patient from the facility or keep Proposed Patient as a voluntary inpatient with a payer other than COUNTY, with appropriate

documentation to be filed with the Court on the first available business day thereafter. CONTRACTOR shall ensure that such daily assessment is documented in the Proposed Patient's medical chart.

4. CONTRACTOR will ensure that progress notes contain the following information:

    a. Day 1: Admitting diagnoses: Axis I, II and III
    b. Upon Admission and Daily: Was Proposed Patient offered voluntary treatment? If not, why not?
    c. Upon Admission and Daily: Describe behaviors and symptoms that indicate the Proposed Patient requires continued involuntary treatment today.

5. CONTRACTOR must afford Proposed Patients the patients' rights that are established in Article 2 of Chapter 5, Title 36 of Arizona Revised Statutes.

3. Inpatient Professional Services: CONTRACTOR shall assure that Psychiatrists on its medical staff or a separate physicians group provide Contract Services to Proposed Patients in compliance with the terms of this Agreement and the provisions of ARS Title 36, Chapter 5.

4. Coordination with Courts and Pima County Attorney's Office Health (PCAO) Law Unit:

    a. CONTRACTOR must complete and submit evaluations, petitions, motions, affidavits and any and all other paperwork required in connection with the involuntary commitment process to PCAO Health Law Unit according to the timetable established by the PCAO Health Law Unit.

    b. CONTRACTOR must coordinate with the PCAO Health Law Unit to dismiss any pending proceedings for Court Ordered Evaluation or Court Ordered Treatment, when the attending physician determines that the Proposed Patient can engage in treatment on a voluntary basis, or does not suffer from a mental disorder as defined in A.R.S. section 36-501.

5. Exclusions: Medical services, rendered to Proposed Patients, which are not involuntary commitment services, unless COUNTY is otherwise responsible for a Proposed Patient's medical costs. CONTRACTOR should not bill, and County will not compensate CONTRACTOR, for such services. In the event that CONTRACTOR admits Proposed Patients to a medical service, CONTRACTOR shall ensure that psychiatric providers consult on a clinically appropriate basis with the Proposed Patient's non-psychiatrist attending physician until the Proposed Patient is transferred to CONTRACTOR's psychiatric service.

6. Coordination of Benefits: Before billing COUNTY for services provided in this Agreement, CONTRACTOR must make appropriate inquiry and determine, to the best of its ability, whether Proposed Patients are eligible for services that may be reimbursed by any payer other than COUNTY. CONTRACTOR must submit to COUNTY, together with each claim for payment for services rendered pursuant to this Agreement, evidence of denial of coverage by other known insurers, Remittance Advice, or documentation substantiating CONTRACTOR's efforts to discover and verify other potential payer coverage. CONTRACTOR agrees to accept all payments from insurers or non-County payers as payment in full, except that following COUNTY'S receipt of Remittance Advice, COUNTY will pay the co-payment, co-insurance or deductible for which the Proposed Patient may otherwise be liable. In no event will COUNTY compensate CONTRACTOR in excess of the rates set forth in this contract. CONTRACTOR will ensure that no payer other than COUNTY exists for Proposed Patients receiving services

under this Agreement. Verification is to include examination of patient/family information to determine if the Proposed Patient is any of the following:

1. Employed;
2. Medicaid eligible;
3. Medicare eligible;
4. Covered by, or eligible for, commercial or private insurance.

7. Verification of Residency: Before billing COUNTY for services provided in this contract, CONTRACTOR must make appropriate inquiry and determine, to the best of its ability, whether Proposed Patients reside within the geographical boundaries of COUNTY or whether the Proposed Patients are not residents of the State of Arizona. Notwithstanding A.R.S. § 36-545.04, if the Proposed Patient is not a resident of Pima County, the COUNTY will not pay claims. CONTRACTOR must submit claims for services rendered to Proposed Patients who are residents of other Arizona counties to the counties of residence. Petitions must be filed in the County of the Proposed Patient's residence.

8 Concurrent Review/Utilization Management: COUNTY may conduct concurrent or retrospective review of all Involuntary Commitment Covered Services and Emergency Medical Services provided by CONTRACTOR to determine appropriateness and medical necessity of such services. COUNTY will review on a day to day basis but will not provide authorization or denial until end of the review period. COUNTY may deny claims for services or recover payment made to CONTRACTOR for denied services pursuant to **EXHIBIT B: COMPENSATION, Section 3 Claims Denial**. Any repayment, recovery or recoupment will be made by deduction from any amount owed to CONTRACTOR by COUNTY as the result of any contract between COUNTY and CONTRACTOR. CONTRACTOR shall have the right to appeal such denial or recovery pursuant to the terms described in COUNTY's Provider Manual.

B. FACILITATION OF TRANSFER AND ADMISSION

CONTRACTOR must cooperate and collaborate with other local hospitals, evaluating agencies, and the Regional Behavioral Health Authority (RBHA) and its crisis system to facilitate transfer of Proposed Patients to an available psychiatric bed as expeditiously as possible. CONTRACTOR will follow guidelines and protocols in COUNTY's Provider Manual that specify transfer and admission of Proposed Patients in the community.

C. PROVIDER QUALIFICATIONS AND LICENSURE

CONTRACTOR affirms that it and any of CONTRACTOR's employees or sub-contractors providing services pursuant to this agreement were and are appropriately licensed by the State of Arizona on the dates of service. COUNTY reserves the right to withhold payment and/or terminate this agreement for any services rendered by any entities or individuals whose license has been suspended or revoked.

In addition, CONTRACTOR shall meet and maintain the following requirements throughout the term of this Agreement:

1. Accreditation through the Joint Commission or is a hospital with an inpatient psychiatric program that undergoes a State survey to determine whether the hospital meets the requirements for participation in Medicare as a hospital, or is accredited by a national accrediting organization whose hospital accrediting program has been approved by CMS if providing treatment to members under the age of 21; and

2. Meets the requirements specified in 42 CFR 440.10 and Part 482 and is licensed pursuant to A.R.S. § 36, Chapter 4. Articles 1 and 2; or

3. For adults age 21 and older, certified as a provider under Title XVIII of the Social Security Act; or

4. For adults age 21 or over, currently determined by ADHS Assurance and Licensure to meet such requirements.

D. MINIMUM STAFFING REQUIREMENTS

CONTRACTOR will maintain organizational, managerial and administrative systems and staff capable of fulfilling all contractual requirements and will employ staff persons with adequate time designated to carry out the required functions.

CONTRACTOR shall provide sufficient staffing to ensure:

a. COEs are conducted as quickly as possible so as to expedite transition to voluntary status, petition for court-ordered treatment or discontinuation of the involuntary commitment process, as clinically indicated;
b. All evaluations, petitions, motions, affidavits and other paperwork required in connection with the COE process are completed and submitted according to the Pima County Attorney's Office and court deadlines; and
c. Proposed Patient and hospital staff are available for court appearances at the date, time and location ordered by the court schedules;

d. Ensure a psychiatrist is available 24/7 as backup to a psychiatric and mental health nurse practitioner to discharge the Proposed Patient from COE if further evaluation is not appropriate or the Proposed Patient applies for treatment on a voluntary basis pursuant to A.R.S. §36-531.

E. DISCHARGE PLAN

All members receiving inpatient services under this contract will be discharged with a discharge plan. CONTRACTOR will work collaboratively with stakeholders in the placement and discharge of members from Level I services.

1. CONTRACTOR will ensure timely completion of discharge plans and provide a copy of the discharge summary to the member's RBHA assigned provider if applicable.
2. CONTRACTOR will assure that medication records are provided as a part of the discharge plan to the assigned intake and coordination of care (ICC) agency to assure coordination of care upon transition to the community, if applicable.
3. CONTRACTOR will work collaboratively with the assigned ICC, if applicable, to make arrangements to provide for discharges daily, including evenings, weekends and holidays.

F. UTILIZATION MANAGEMENT

1. CONTRACTOR shall adopt, maintain, and observe utilization review plans that conform to nationally accepted accreditation standards. CONTRACTOR will provide evidence of compliance with 42 CFR requirements to COUNTY at least annually or upon request. Specific Federal and AHCCCS compliance activities include:

a. Development of Certifications of Need and Re-Certifications of Need and submission of those certifications in compliance with Pima County Providers Manual.

b. Development of and performance of services based on a plan of care in accordance with 42 CFR 441.154 to 456.

c. Development and implementation of utilization management plans and committees in accordance with 42 CFR 456.100 to 129 and 456.200 to 213.

2. CONTRACTOR will make available to COUNTY staff in person or telephonic access to professional behavioral health (non-clerical) staff that can review the medical record and present the basis for continuing medical necessity of Level I inpatient services. COUNTY may conduct concurrent review on admission and at frequent intervals during acute inpatient hospital stays to validate the medical necessity for continued stay and to evaluate quality of care.

3. CONTRACTOR will provide by email (PCBH.UM@pima.gov), within one (1) business day of request, any documentation requested by COUNTY UM that is needed to verify admission or continued stay criteria are being met.

4. CONTRACTOR will notify COUNTY via secure email of any Proposed Patient who moves to medical or from medical back to the psychiatric unit, who is under the COE period.

5. COUNTY determines the appropriateness of continued services in consultation with physician advisors, as necessary. If it is determined that service is no longer appropriate, COUNTY UM will initiate a recommendation of denial. Continued hospital services may be denied when a Proposed Patient no longer meets intensity and severity criteria.

6. COUNTY UM will notify the attending physician and the hospital UM liaison verbally with a written follow-up notification within three (3) days regarding a potential denial of coverage and the denial date. The attending physician has one (1) business day to agree or disagree and to provide information to COUNTY UM justifying medical necessity for continued stay. Clinical information presented after the time of offer for collaboration will not be considered retrospectively.

7. The CONTRACTOR shall provide COUNTY UM (PCBH.UM@pima.gov) confirmation of each member's discharge date and disposition within one (1) business day of the member's discharge, including the following information: Proposed Patient's first and last name, Proposed Patient's Date of Birth, Admit Date, Discharge Date, and Disposition.

8. The CONTRACTOR will facilitate early identification of members who may be ready for discharge over a weekend and/or holiday, participate in adequate planning in the event the member is ready for discharge, provide sufficient physician staff to discharge the member when ready, write prescriptions and ensure hospital discharge planners/social workers communicate with the receiving ICC team and service provider to allow weekend and holiday discharges when members no longer meet criteria for continued stay and will actively coordinate such discharges with ICC personnel.

9. The CONTRACTOR, including its hospital medical staff, will meet with COUNTY as needed for the purpose of collaboration and discussion of application of medical necessity criteria, standards of documentation supporting use of criteria and other performance improvement activities as determined necessary by COUNTY to reduce occurrence of denials and appeals. CONTRACTOR's failure to provide access to medical staff for these purposes may result in contractual penalties.

10. COE services and claims for payment are subject to COUNTY's concurrent and retrospective utilization review and management to assess compliance with statutory requirements, appropriate payment of claims, documentation of clinical need for inpatient COE or COT and efficiency and effectiveness of processes applicable to service provision. COUNTY reserves the right to conduct concurrent and retrospective utilization review and management either in person, through the electronic health record portal (if applicable), or by request of documentation.

EXHIBIT B: COMPENSATION – 2016-2017

Payment for Involuntary Commitment Covered Services:

1. **For services provided October 1, 2015 through September 30, 2017**, COUNTY will compensate CONTRACTOR as follows, with the understanding that in the event that a separate physicians group provides services pursuant to this contract, CONTRACTOR shall ensure performance and compliance of said physicians group to the terms of this contract and shall be responsible for reimbursing said physicians group for services provided from the compensation paid to CONTRACTOR:

a. **For Inpatient Covered Services**: CONTRACTOR shall be reimbursed at an all-inclusive COE daily tier rate of $940.00 for up to four (4) consecutive days of service for which COUNTY is the only payer, and for Proposed Patients with no third party health insurance coverage and no ability to pay, at an all-inclusive post-COE daily rate of $244.00 for up to four (4) additional consecutive days of service for which COUNTY is the payer, using revenue code 0124. Such tier rates shall include all services necessary for the support and care of the Proposed Patient but shall not include compensation for daily assessment of Proposed Patients by physician staff as indicated herein or up to two psychiatric evaluations required pursuant to ARS Title 36, Chapter 5 to satisfy the Court Order for Evaluation as indicated below*.

*Inpatient days do not include the dates of, or days subsequent to, the date of hearing on Petition for Court Ordered Treatment, the date of transition from involuntary to voluntary status, or date of discharge, as applicable. COUNTY will not compensate CONTRACTOR for any additional inpatient days resulting from CONTRACTOR's failure to complete and file the two psychiatric evaluations required under Article 4, Chapter 5, Title 36 of Arizona Revised Statutes according to the deadlines established herein, or for evaluations that are determined to be deficient by the Court. In no event will COUNTY pay or otherwise compensate CONTRACTOR for services provided on or after the date an Order for Treatment is issued unless the Proposed Patient is in the custody of the Pima County Sheriff's Department (PCSD), in which event, COUNTY will compensate CONTRACTOR for services provided at the AHCCCS Tier Rate in effect on the date of service.

b. **For Professional Covered Services:** For payment of services related to routine daily assessment/interaction of a Proposed Patient, CONTRACTOR will be compensated at a maximum rate of $48.00 per day, which may include CPT codes 99221, 99222, 99223, 99231, 99232, 99233, 99234, 99235.

For payment of services related to the evaluation of a Proposed Patient as ordered by the Court, CONTRACTOR will be compensated for up to two (2) psychiatric evaluations performed by two different doctors on Proposed Patients pursuant to a Court Order for Evaluation and completed pursuant to the timelines indicated in Article 4, Chapter 5, Title 36 of the Arizona Revised Statutes following the issuance of a Court Order for Evaluation. COUNTY will not compensate CONTRACTOR for psychiatric evaluations that are not completed in compliance with the statutory timeline or for evaluations that are not conducted or prepared in a manner acceptable to the Court. CONTRACTOR must bill for the first evaluation using CPT code 90791 and for the second evaluation using CPT code 90792. Payment will be made at the higher rate of either $142.47 per 90791 and 90792 evaluations, or at 100% of the AHCCCS fee for service schedule for place of service in effect on the date of service for procedure code 90791 and 90792, as amended and updated by AHCCCS from time to time. Any changes in

AHCCCS fee for service rates shall apply on the date such rate changes are published by AHCCCS and will not require an amendment to the contract.

c. Where CONTRACTOR provides psychiatric services to a Proposed Patient in the Emergency Department Services under an Application for Emergency Admission and the Proposed Patient is not admitted for psychiatric services, COUNTY will compensate CONTRACTOR for such services according to the AHCCCS fee for service rates for such services in effect on the dates of service.
d. Fee Structure as follows (Tables 1 through 3) for provision of COE and PEP services:

Table 1. Facility Charges

Facility Charges			
Bed days Revenue Code: 0124	**Billable Timeline**	**Billable Days**	**Payable**
Patient has no payer County is only payer - Non T-19	120 days after discharge	Up to 4 COE days & 4 PEP days	Contracted rates
Patient has Private/Commercial/Medicare (EOB required)	90 days after receipt of EOB, but never >180 days after discharge	Up to 4 COE days (or value thereof)	Copay/Coinsurance/Deductible/or non-covered behavioral health benefits, not to exceed what COUNTY would otherwise pay
Patient has Cenpatico/Title 19 (EOB required)	90 days after receipt of EOB, but never >180 days after discharge	Up to 4 COE days (however, Cenpatico should pay for day 4 onward)	Daily tier rates in contract

(Remainder of this page intentionally left blank)

Table 2. Professional Fees

Professional Fees			
Physician Billing for daily assessment of a patient at Banner Revenue Codes: 99221, 99222, 99223, 99231, 99232, 99233, 99234, 99235	**Billable Timeline**	**Billable Services**	**Payable**
Patient has no payer COUNTY is only payer - Non T-19	120 days after discharge	1 daily assessment of patient, up to 8 total days	Contracted rates
Patient has Private/Commercial/Medicare (EOB required)	90 days after receipt of EOB, but never >180 days after discharge	1 daily assessment of patient, up to 4 total days (or value thereof)	Contracted rates, or Copay/Coinsurance/Deductible/or non-covered behavioral health benefits, not to exceed what COUNTY would otherwise pay
Patient has Cenpatico/Title 19 (EOB required)	90 days after receipt of EOB, but never >180 days after discharge	1 daily assessment of patient, up to 4 total days (however, Cenpatico should pay for day 4 onward)	Contracted rates

Table 3. Physician Billing for Psychiatric Evaluations required for COE

Physician Billing for psychiatric evaluations required for COE Revenue Code: 90791 or 90792	**Billable Timeline**	**Billable Services**	**Payable**
Patient has no payer or patient has Cenpatico/Title 19	120 days after discharge	Up to 2 psychiatric evaluations billed as 90791 or 90792 by two separate psychiatrists and/or medical doctor	Contracted rates
Patient has Private/Commercial/Medicare (EOB required)	90 days after receipt of EOB, but never >180 days after discharge	Up to 2 psychiatric evaluations billed as 90791 or 90792 by two separate psychiatrists and/or medical doctor (or value thereof)	Contracted rates, or Copay/Coinsurance/Deductible/or non-covered behavioral health benefits, not to exceed what COUNTY would otherwise pay

2. In the event that an error or non-compliance with statutory timelines by CONTRACTOR or CONTRACTOR's staff causes an involuntary commitment action to be dismissed by the Court

or rejected by the PCAO, COUNTY will not compensate CONTRACTOR for either the inpatient days provided or the evaluations performed that pertain to the dismissed involuntary commitment action.

3. **Claims denial**: COUNTY may deny claims for services in the event CONTRACTOR does not adhere to the terms of this contract and for any of the following reasons:

    i. Claims submitted for medical services provided to Proposed Patients;
    ii. Provider bills for services to Proposed Patients after their status changed to voluntary;
    iii. Invalidation of a petition due to physicians performing evaluations after the statutory timelines, including payments for evaluation and inpatient day(s) associated with the hospitalization;
    iv. Dismissal of a Petition for Court Ordered Treatment due to a physician's unavailability at the date, time and place of hearing;
    v. Failure to file compete petitions with the PCAO within the timeframe set forth by PCAO;
    vi. Failure to file signed, legible evaluation paperwork that provides detail and specificity to meet statutory requirements; or
    vii. Failure to document that a physician or mid-level practitioner sees and assesses the relevant Proposed Patient on a daily basis, including weekends and holidays, to determine whether Proposed Patients continue to require involuntary commitment.
    viii. The COUNTY reserves the right to deny payment for services on which CONTRACTOR failed to follow the statutory requirements indicated in Arizona Revised Statutes, Title 36, Chapter 5.

4. **Claims and Payment Policies**

The following are CONTRACTOR's requirements for submitting claims. CONTRACTOR must submit accurate, timely and complete claims for all COE covered behavioral health services. It is not a requirement for COUNTY to deny claims for services which are not identified in this Agreement. Claims must be received as follows:

1. CONTRACTOR must submit such claims to COUNTY within one hundred and twenty (120) days of the last date of service for Pima County patient. If COUNTY is the secondary payer, CONTRACTOR must submit claims within ninety (90) days from the date of the primary payer's Explanation of Benefits (EOB). COUNTY may refuse to pay any amount billed in an untimely manner, and may refuse to pay any amount billed more than one hundred and eighty (180) days after the last date of service on any specific claim, or the date patient is known to be a COUNTY member, pursuant to A.R.S. § 11-622(C).

2. For facility claims, "date of service" means the date of discharge of the Proposed Patient or the service end date of the interim claim.

3. If a claim is received within the prescribed timeframes, CONTRACTOR has up to ninety (90) days from the date of initial denial notification to resubmit a clean claim.

4. COUNTY will remunerate CONTRACTOR for services rendered pursuant to this Agreement as described herein within thirty (30) days of receipt of a clean claim.

5. In the event of a discrepancy around the payment of claims and issuance of denials, providers may file a written appeal as described below and as set forth in the County's Provider Manual, which is incorporated herein by reference. COUNTY ensures that when a claim for payment is denied in whole or in part, the affected provider is advised in writing of their right to file a written appeal. All provider appeals related to COUNTY decisions must be filed with the Claims Division of COUNTY.

6. Appeals must be submitted in writing or electronically. If submitted in writing, appeals must be clearly marked "APPEALS" and mailed to the address as set forth in this Agreement. Within the written appeal process the provider must specifically explain why COUNTY determination of authorization or denial is incorrect and the result CONTRACTOR is seeking. Describe the relevant information CONTRACTOR believes is known by COUNTY and include copies of the documents that provide additional information that COUNTY should consider. It is imperative to include documentation CONTRACTOR feels is relevant to support the claim, as there is only one opportunity to appeal.

Appeals disputes must include:

- A statement of the factual and legal basis for the dispute;
- A statement of relief requested;
- Documentation and explanation to support the claim dispute;
- For questions about the appeal, please include Primary Contact including name, phone number and email address.

Timeline for initiating an appeal:
Appeals must be filed within ninety (90) calendar days after receipt of notification of denial. COUNTY agrees to provide a written determination of the appeal within thirty (30) days of receipt. If COUNTY does not provide a determination within thirty (30) days, the denial will be overturned, and payment will be issued within thirty (30) days.

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EXHIBIT D: REPORTING 2016-2017

CONTRACTOR will submit all documents, reports and data in accordance with the schedule in this **EXHIBIT D: REPORTING**. All deliverables will be submitted in the format prescribed by COUNTY and within the time frames specified. COUNTY and CONTRACTOR may determine and agree to receive and report necessary ad-hoc data reporting requests as advised or requested by the parties. In addition, CONTRACTOR shall provide the following information:

A. Management and Reporting

1. COUNTY reserves the right to audit any process or data resulting from provision of services pursuant to this Agreement and to request evaluation agency reports or data compilation as COUNTY determines necessary.

    a. Daily Census Report. No later than 8:00 a.m. each day the CONTRACTOR will provide to COUNTY via secure email (PCBH.UM@pima.gov) the census of COUNTY's adult Proposed Patients receiving COE services in Level I acute beds and the list of patients discharged since the last census report.
    b. Daily Census of Petitioned Patients in Emergency Department. CONTRACTOR will notify COUNTY via secure email (PCBH.UM@pima.gov) of patients who are under an Application for Emergency Admission in the Emergency Department and not admitted for psychiatric services.
    c. CONTRACTOR will email the admitting face sheet, first set, and second set once available, and the release from evaluation form when Proposed Patient changes to voluntary status or discharges to COUNTY UM (PCBH.UM@pima.gov).
    d. CONTRACTOR will notify COUNTY UM, via secure email notification, COUNTY UM (PCBH.UM@pima.gov), of payer change within the COE period immediately upon enrollment verification with AHCCCS or other Third Party Payer.
    e. CONTRACTOR shall cooperate with COUNTY in providing information and data as needed and on a monthly basis, necessary for COUNTY to develop and submit all reports regarding COE services. Reporting data will be emailed to COUNTY (PCBH.Reports@pima.gov) on a monthly basis within thirty (30) days following the end of each month, and will include:

- Number of Emergency Applications;
- Number of Involuntary Applications;
- Total number of patients admitted for COE;
- Number of Outpatient Title 36 COEs, if applicable;
- Number of proposed patients transferred from Pima County Adult Detention Center (PCADC);
- Number of patients returned to PCADC before hearing;
- Number of patients on applications who were admitted in the previous 90 days;
- Number of petitions dropped because individual agreed to voluntary treatment;
- Number of petitions dropped before the hearing other than voluntary;
- Number of patients who went to court;
- Number of patient's court ordered for treatment;
- Number of inpatient orders;
- Number of combined orders;
- Number ordered without a hearing (stipulated);
- Number of COE patients who had no insurance;
- Number of Petitions dismissed at court – patient able to be voluntary;
- Number of Petitions dismissed at court – patient did not meet criteria for court order;
- Number of Petitions dismissed at court – psychiatrist not available for hearing;

- Number of Petitions dismissed at court – filing error;
- Number of hearings rescheduled – psychiatrist not available for hearing;
- Number of hearings rescheduled – other; and
- Substance abuse issues at time of admission (how many had a substance diagnosis and to which substance(s).

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EXHIBIT E: GLOSSARY – 2016-2017

Terms used herein for the purposes of this contract include the following:

1. **Arizona Department of Health Services (ADHS)**: The State agency which contracts with AHCCCS and administers the behavioral health system within the State, including behavioral health benefits to AHCCCS-eligible residents, by subcontracts with Regional Behavioral Health Authorities.

2. **Agreement:** This document, together with its attachments or exhibits, which sets forth the terms and conditions upon which services will be provided and funded by the parties hereto.

3. **Arizona Health Care Cost Containment System (AHCCCS):** The State agency administering the Federal Medicaid program in Arizona and which contracts with Arizona Department of Health Services to provide behavioral health services to residents enrolled to receive Medicaid benefits.

4. **Application for Emergency Admission:** A signed and notarized application made by a responsible adult (applicant) attesting to the fact that the applicant has knowledge to support the fact that a person is a danger to self or others, and that if not immediately hospitalized, the person is likely to suffer or inflict serious physical harm on himself or others.

5. **Arizona Revised Statutes (ARS):** In this contract usually referring to Arizona Revised Statutes, Title 36, Chapter 5 – Mental Health Services.

6. **Clean Claim:** A clean claim is defined by Medicare as a claim which has no defect, impropriety or special circumstance, including incomplete documentation that delays timely payment.

7. **Court Ordered Evaluation (COE) Period:** For purposes of this framework, that period which begins only after a Proposed Patient receives medical clearance, received aggressive treatment and triage, and is determined to be in need of involuntary commitment, under an Application for Emergency Admission or a Court Order for Evaluation, and continues on to the point that the Proposed Patient is allowed to continue treatment on a voluntary basis, the Proposed Patient is discharged or the petition for court-ordered evaluation is dismissed, the petition for court-ordered treatment is filed with the court, or up to four calendar days, whichever is sooner.

8. **Court Ordered Treatment (COT):** Treatment of a patient adjudged by the Court to require ongoing behavioral health treatment.

9. **Court:** The superior court in the county in this state in which the patient resides or was found prior to screening or emergency admission" under provisions of ARS 36-501 et seq; the Probate Division of the Pima County Superior Court that oversees the Involuntary Commitment process.

10. **Court Order for Evaluation:** An order by the Court causing a patient or Proposed Patient to be evaluated (see Evaluation) to determine the patient's or Proposed Patient's need for ongoing mental health services. Such an order may be precipitated by an Application for Emergency Admission or as the result of an outpatient examination by a qualified behavioral health professional to determine the person's mental status and whether or not the person may need ongoing behavioral health treatment.

11. **Evaluation:** A professional multidisciplinary analysis based on data describing the person's identity, biography and medical, psychological and social conditions carried out by a group of persons, to determine the Proposed Patient's need for ongoing behavioral health treatment, and which may be followed by a petition for Court Ordered Treatment. See ARS 36-501.

12. **Evaluation Agency:** A health care agency that is licensed by the State and that has been approved to provide those services required of such agency pursuant to Arizona Revised Statutes, Title 36, Chapter 5, Article 4. See ARS 36-501.

13. **Examination:** For purposes of this contract, an examination performed by an admitting officer of an evaluation agency on a person presenting for emergency admission pursuant to ARS 36-501 et seq., to determine if there is reasonable cause to believe that the person, as a result of a mental disorder, is a danger to self or others, and that during the time necessary to complete the pre-petition screening procedures set forth in sections 36-520 and 36-521 the person is likely without immediate hospitalization to suffer serious physical harm or serious illness or to inflict serious physical harm on another person or whether treatment in a less restrictive venue is appropriate.

14. **Explanation of Benefits:** An explanation of benefits (commonly referred to as an **EOB** form) is a statement sent by a health insurance company to covered individuals explaining what medical treatments and/or services were paid for on their behalf.

15. **Intake and Coordination Care (ICC):** A licensed provider that does intake, assessment, service planning, referral to service, and follows the member throughout the course of treatment and has a direct contract with Cenpatico.

16. **Involuntary Commitment:** The term for the process by which, or period in which, a person is held against his will by an Evaluation Agency for Examination or Evaluation to determine whether the person requires ongoing behavioral health treatment ordered by the Court.

17. **Least Restrictive Environment:** The treatment plan and setting that infringe in the least possible degree with the Proposed Patient's right to liberty and that are consistent with providing needed treatment in a safe and humane manner. See ARS 36-501.

18. **Office of Behavioral Health (OBH)**: Pima County's Office of Behavioral Health, which will have oversight of this Agreement effective October 1, 2015.

19. **Post Evaluation Period (PEP) day(s):** Inpatient days a Proposed Patient is involuntarily housed in a hospital setting following the COE period and prior to their hearing because the Proposed Patient is not willing or able to voluntarily receive treatment and is considered to remain a danger to himself or others and not safe for discharge.

20. **Petition:** An official request filed with the Court; for purposes of this contract, a request made to the Court seeking either the Court's order to perform evaluations on a Proposed Patient, or to hold a hearing to determine whether ongoing behavioral health treatment of a Proposed Patient should be ordered by the Court.

21. **Proposed Patient:** A person for whom an application for evaluation has been made or a petition for court-ordered evaluation has been filed. See ARS 36-501.

22. **Provider:** Any Hospital, Evaluation Agency, Institute for Mental Diseases (IMD), physician, or ambulance agency that provides qualifying services pursuant to this Agreement.

23. **Psychiatric Resident** (Medical): A physician who has completed medical school and internship and is now receiving training in a specialized field of medicine, especially as it applies in this context to ARS 35-501 (12) (a) (i).

24. **Resident; Resided; Residence (Geographical):** A Resident of Pima County is a person who maintains and lives in a place of abode in Pima County, as may be evidenced by payment of property taxes, rent, or utilities associated with such an abode, and who has lived or intends to continue living in Pima County for an indefinite period of time; lived in and maintained a place of abode, a dwelling place, or home, as may be evidenced by a mortgage, lease, or rental agreement.

25. **Transfer:** Refers to the movement of a Proposed Patient from one facility to another, even if within the same provider. Moving a Proposed Patient from the Emergency Department to the

inpatient behavioral health unit for COE constitutes a transfer as well as movement from one hospital or other facility to another completely separate evaluation agency.

26. **Utilization Management:** For purposes of this contract, either a concurrent or retrospective review or both of claims for services or processes related to provision of services under ARS 36-501 et seq. to assess compliance with statute, appropriate payment of claims, or efficiency or effectiveness of processes applicable to service provision.

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