

FY 2023 FUNDING AGREEMENT – PAY-FOR-PERFORMANCE GRANT
“PSYCHIATRIC CAPACITY”

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THIS AGREEMENT is between the **McHENRY COUNTY MENTAL HEALTH BOARD** (hereafter “Mental Health Board”) and _____ (hereinafter “Provider”) for a term commencing December 1, 2022 and ending November 30, 2023 (hereafter “Contract Year”).

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1. **SCOPE OF SERVICES.** The Provider shall furnish the Program set forth in Schedule C (hereafter “Program(s)”).

A. **Grant Funding.**

The funding for Programs in Schedule C, attached hereto and incorporated by reference herein is a grant. The Mental Health Board will pay the Provider the amount specified if the Provider maintains access to Psychiatric services for McHenry County residents, regardless of payer source or lack thereof. When funding is provided in the form of a Pay-for-Performance Grant, the Provider must supply the Mental Health Board with quarterly reporting of pre-established output and outcome measures as outlined in Section 5, below. Payments for Pay-for-Performance Grant Agreements shall be made on a monthly basis commencing December 2022, and each and every month thereafter, upon submission by Provider of a satisfactory monthly Affidavit. Provider shall make no change to the Affidavit template supplied. Affidavit submission shall occur within 180 days of the end of the month in which services were provided, including resubmissions, unless otherwise approved by the Mental Health Board. All Affidavits shall be submitted in accordance with Mental Health Board fiscal year-end deadlines, which will be communicated to Providers during the Mental Health Board’s fourth quarter. In the event Provider does not submit the applicable pre-established output and outcome measures, or requirements as specified in Special Conditions, the Mental Health Board may reduce the amount of the grant accordingly.

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2. **NETWORK.** For purposes of this Agreement, Behavioral Health Care Network, (hereafter “Network”), shall mean all providers funded by the McHenry County Mental Health Board to provide behavioral health services. Unless otherwise specified herein, “behavioral health services” is defined as Services provided to individuals who have or are at risk of developing a mental health disorder, developmental disability, substance use disorder, or traumatic brain injury.

3. **RESIDENT ELIGIBILITY.** Any resident of McHenry County, Illinois may make an application to the Provider for acceptance as a client in the Services to be funded in this Agreement. Said application may be made directly by a resident or on his behalf by his family, a physician, another Mental Health Board funded provider, or by other third parties when permitted by law.

4. **ADMISSION REQUIREMENTS.** The Provider will maintain Service admission criteria in alignment with the applicable Administrative Rule as required by the State of Illinois and the Mental Health Board. Said admission criteria shall be applied fairly and equally to all applicants without regard to ability to pay, or race, gender, color, creed, national origin, disability, or as otherwise required by law.

In order to ensure continuity of care, access to services and care coordination for each client in the Mental Health Board’s Network, the Provider agrees that:

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(a) Any person eligible for treatment by any Provider within the Network may also be eligible for treatment by this Provider.

(b) A client of any Provider in the Network can and will be transferred or referred and Services coordinated without delay to any other Provider in the Network (on condition that adequate access to services is available) whenever such a transfer or referral is indicated or required by the client's needs.

(c) Information concerning a client obtained by a Provider in the Network shall be shared in compliance with all applicable confidentiality restrictions, laws, and regulations. Client information will be made available to the Mental Health Board for purposes of continuous auditing and monitoring of reporting, evaluation, and monitoring requirements detailed in Section 5.

(d) Those responsible for the primary care and treatment for a client of any provider in the Network will continue to provide care for that person if he or she also receives secondary care from another Provider in the Network.

5. REPORTING, EVALUATION, AND MONITORING REQUIREMENTS.

Notwithstanding the reporting requirements set forth herein and subject to Section 16, below, if Provider and the Mental Health Board otherwise agree in writing to an alternate method of reporting or an alternate format for reporting, that alternate agreed upon method will control pursuant to a contract addendum. Provider shall track and report measurable outcome data, service information, evaluation and monitoring data as specified below and report required data to the Mental Health Board.

A. Quarterly Reporting of Output and Outcome Data.

Quarterly reporting of output and outcome measures defined below will be reported in a MHB provided format (the output and outcome measures defined below will be required for accountability monitoring during each reporting period):

- Total Hours of Prescriber Capacity (Hours)
- Total Hours of Utilized Prescriber Capacity (Hours)
- Client "No Show" Rate for Prescriber Appointments (% - Includes Cancellations Within 24 Hours of Appointment)
- Average Length of Time from Intake/Appointment Setting to Psychiatric Assessment (Days)
- Number of New Clients Receiving Prescriber Services (# - Includes New Psychiatric Evaluations)
- Percentage of Active Clients Showing Improvement in Functioning (%)
- Number of Clients Discharged from Prescriber Services (#)
- Client Reported Behavioral Health related Hospitalization Rate (%)
- Client Reported Crisis Utilization Rate (%)
- Client Satisfaction Rate (%)
- Number of Client Responses to Satisfaction Survey (#)

B. Reporting Dates.

Pay-for-Performance Outcome Reports are required to be completed using the Foundant Grant Lifecycle Manager provider portal on a quarterly basis commencing with the first quarter ending on the last day of February. Outcome Reports shall be

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completed and submitted to the Mental Health Board in the specified format by the last day of the month following the end of each Mental Health Board quarter (due 3/31, 6/30, 9/30, and 12/31).

C. Efficiency and Innovation Report.

Provider shall agree to supply the Mental Health Board with a report outlining how grant funds were used to complement or enhance Provider efficiencies and innovations to provide access to psychiatric services. Said report will be submitted through the Foundant Grant Lifecycle Manager provider portal, on a follow-up form initiated by the MHB. (Report due to MHB by December 31, 2023)

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D. Critical or Sentinel Events.

Provider shall inform the Mental Health Board within 24 hours of any Critical or Sentinel event that involves a Mental Health Board funded client or program. A critical event is any event that potentially affects the Provider's State licensure, Medicaid certification status, accreditation, or puts the Provider or the Mental Health Board at risk fiscally, clinically or legally. A Sentinel Event is defined as any unanticipated event in a healthcare setting resulting in death or serious physical or psychological injury to a patient or patients, not related to the natural course of the patient's illness. Provider shall describe the basic event, maintaining client confidentiality. This notification shall be immediately via phone through the Executive Director or Deputy Director and shall be followed up in writing by email or letter within Five (5) business days.

E. Provider participation in Network Council is required.

F. Provider participation in Quality Management Team is required.

G. Provider participation in Intake Coordinators meetings is encouraged.

H. Providers are expected to participate in clinical reviews requested by the Mental Health Board for purposes of care coordination initiated by a client, by a family member of a client or by another provider.

Network Council and Quality Management Team attendance waivers may be requested in writing to the MHB Executive Director.

I. Program Change/Closure.

The Mental Health Board shall be notified in writing at least 60 days in advance of any program closure or significant change to programs, including staff reduction in force which would alter capacity to serve residents or fulfill the contract obligations. Contract payment terms may be altered as a result of reduced capacity (see Special Conditions).

J. Change in Operations.

In the event Provider is considering a corporate merger, consolidation, bankruptcy, or corporate restructuring, ceasing or transferring operations, or the Provider is facing financial insolvency illustrated in part by furlough days, missed payroll or delayed payment of payroll, Provider should provide as much advance notice relative to the occurrence of said event to the Mental Health Board as possible.

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K. **Breach of Obligations.** Failure to provide services or submit reporting data according to terms herein, shall result in a material breach of obligations under this Agreement. Upon a material breach of agreement, the Mental Health Board may terminate or suspend in whole or in part and interrupt or hold disbursement of funds.

6. **FINANCIAL INFORMATION.** The Provider shall use a fund accounting system and follow generally accepted accounting standards. The provider shall comply with U.S. Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards if applicable. The Provider shall comply with the Mental Health Board's "Financial Audit Requirements – Funded Providers" policy as approved by the Board. However, such audits will not restrict the ability of the Mental Health Board to engage in, at its discretion, its own audits and investigations of Provider. Provider shall provide the Mental Health Board and its consultants access to its premises, books, and records upon reasonable notice or no notice at all.

Upon the request of the Mental Health Board, the Provider shall provide the Mental Health Board with financial statements, including but not limited to (a) a statement of financial position; (b) a statement of revenue and expenditures, including changes in fund balance itemized by Service according to line items; and/or (c) an analysis of expenditures and revenues by funded Service compared to budget projections.

On request, the Provider shall provide and furnish the Mental Health Board with copies of any financial reports submitted to the State of Illinois and/or to the Board of Directors of the Provider and shall further provide and furnish the Mental Health Board with financial reports, demographic, and statistical information concerning the operation of its Services, as required by the Mental Health Board.

Financial reports submitted by the Provider shall not contain the name of any client or any other information which, according to the Illinois Mental Health Code or State or Federal law, is considered confidential to the client or as Protected Personally Identifiable Information.

7. **FUNDS FROM OTHER SOURCES.** If Provider does enter into agreements for financial assistance with other sources, the agreement with other sources shall not impair the fulfillment of Provider's obligations of this Agreement. Provider shall give due preference on a priority basis to residents of McHenry County Illinois who access Program(s) covered by this Agreement. Notwithstanding any terms to the contrary, funds obtained through this Agreement shall not be used as a match for any other grant without the express written authorization of the Mental Health Board.

8. **COUNTY BOARD APPROVAL.** Notwithstanding any provision to the contrary, all payments under this Agreement are subject to the appropriation of the Mental Health Board budget by the McHenry County Board and the appropriation and levy of sufficient taxes by the McHenry County Board to fund said budget, and the collection and distribution of sufficient tax revenues by the McHenry County Collector to fund said budget.

9. **SERVICE STANDARDS.** The Provider shall provide and maintain all Services under this Agreement in alignment with generally accepted, and evidence based, mental health standards as accepted or adopted by the Illinois Department of Human Services, including the following when applicable (1) Medicaid Community Mental Health Services Program as set forth in 59 Illinois Administrative Code, Part 132, Part 140, and (2) System Design and Operational Procedures set forth in 59 Illinois Administrative Code, Part 103, and (3)

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Children’s Mental Health Screening, Assessment and Support Services Program as set forth in 59 Illinois Administrative Code, Chapter IV, Part 131, and the Mental Health and Developmental Disabilities Confidentiality Act.

In accordance with the standards for a Network with CARF International accreditation, the MHB implements a quality and compliance review process for all participating providers, regardless of size of budget, with which the MHB enters into a funding agreement. This quality review applies to network-related service provision and business practices, which can be met in the following ways: (1) CARF accreditation of the participating Provider, (2) Accreditation of the participating Provider by another nationally or internally recognized accrediting organization, or (3) if the participating provider is unaccredited, MHB implementation of a regular on-site review process of the Provider that addresses the application of identified CARF standards for service provision and business practices.

10. **MENTAL HEALTH BOARD POLICIES.** The Provider shall conform with and abide by all of the policies, guidelines, rules, regulations and instructions issued and adopted by the Mental Health Board, whether now existing or adopted during the term of this Agreement providing that they do not materially modify the substantive provisions of this Agreement. The Provider shall receive written notice of any regular monthly meeting or special meeting of the Mental Health Board at which the adoption of any policy, guideline, rule, regulation or instruction will be considered, and the Provider may address the Mental Health Board concerning such matter. The Provider shall be notified in writing of all such policies, guidelines, rules, regulations or instructions now in effect or hereafter adopted. Mental Health Board policies are available upon request or through Public Viewer licenses established for online access to the Mental Health Board’s policy library, Policy Tech.

11. **PROGRAM REVIEW AND PROCEDURE ON NON-COMPLIANCE.** The Mental Health Board has the right to review, audit, monitor and evaluate all of the Mental Health Board funded Providers. If the Mental Health Board determines that the Provider is not in compliance with the terms of this Agreement, relevant Federal, State, or Local laws, rules, regulations, or with the policies, rules and regulations of the Mental Health Board, the procedures as set forth in the Mental Health Board’s Audit and Appeals Policy and Procedure shall be followed. Provider must report to the Mental Health Board any of its internal or external clinical or financial audit findings that indicate noncompliance with the underlying Funding Agreement.

12. **LIABILITY/INDEMNIFICATION/INSURANCE.** The Board assumes no liability for actions of the Provider or the Provider’s employees under this contract. The Provider shall indemnify, defend and hold harmless the Board, and its respective agents, employees, officers, directors, members, successors and assigns (collectively, the “Indemnitees”) from, against in and in respect of any damages, claims, allegations, losses, charges, actions, law suits, proceedings, judgments, interest, penalties amounts paid in settlement, costs, and expenses (including reasonable and verifiable attorneys’ fees) (collectively, “Losses”) which are imposed on, sustained, paid by, incurred or suffered by or asserted against any of the Indemnitees directly or indirectly related to, arising out of, or resulting from third party claims relating to (i) the acts, omissions or breach of the Provider, its agents or representatives in connection with the performance of its obligations under this Contract, (ii) any allegations by any federal, state or local government authority that the Provider has in any way misused, misspent, improperly accounted for, or improperly disbursed any funds, including but not limited to any allegations that the Provider has violated any Medicare or Medicaid regulation,

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statute or ruling, or from any other violation of State or Federal laws and regulations the Provider has certified as being in compliance.

During the term of this Contract the Provider shall maintain in force policies of insurance including **general liability, automobile and professional negligence** covering its employees and contractors assigned to provide services hereunder. Policy limits are subject to review and reasonable approval by the Board. Upon execution of this Contract, and on specific request thereafter, the Provider shall supply to the Board a current certificate(s) of insurance reflecting the required insurance policies, which must be submitted on an ACORD25 form and signed by the insurance broker/agent. The following specific language must be included on each Certificate of Insurance: ***“The general and automobile liability policies shall include the McHenry County Mental Health Board, Board members and Board employees as additional insureds on a primary, non-contributory basis unless otherwise agreed to in writing.”***

The declaration certificates shall specifically require the Insurance Company to notify the Board in writing at least 30 days prior to non-renewal, reduction or cancellation of the policy. All insurance policies shall be written through a company or companies having an AM Best rating of “A” or above. No payment will be made to the provider until proper insurance certification has been received by the Board.

13. **REPAYMENT.** The Provider shall repay to the Mental Health Board all or any portion of the funds received under this Agreement, plus any penalty charges, if the Agreement, or any part thereof, is disallowed by any court or any federal or state administrative agency of competent jurisdiction for any reason.

Pursuant to the Audit and Appeals Policy and Procedure the Provider shall repay to the Mental Health Board all or any portion of the funds received under this Agreement if the Mental Health Board determines after notice and hearing that the Provider has failed to provide the scope of services for which the funds were paid under this Agreement.

14. **TERMINATION.** Either Party may terminate this Agreement at any time and for any reason, or no reason at all, effective upon thirty (30) days advance written notice to the other Party. However, either Party may terminate this Agreement at any time, effective immediately upon written notice to the non-terminating Party, if the non-terminating Party breaches any of its material obligations under this Agreement.

15. **COORDINATION OF BENEFITS.** It is understood that the clients or the Provider as assignee in the scope of services in Schedule C may be entitled to payment or reimbursement from third party sources such as Medicare, Medicaid, Social Security, or private insurance benefits. It is the provider’s responsibility to ensure compliance with all applicable laws relating to funding, supplementation, primary and secondary payers, and coordination of benefits. Provider represents and warrants that it is not supplementing Medicaid rates with outside funding and will not use Mental Health Board funds to supplement Medicaid rates.

16. **MONITORING AND EVALUATION.** Notwithstanding the terms contained in paragraph 5, above, the Mental Health Board through its Executive Director, or designated staff and retained consultants, shall be afforded reasonable access to the premises where the Services are conducted by the Provider under this Agreement and to all records relating to the Services and their operation for the purposes of monitoring and evaluating the

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Services and payment by the Mental Health Board. Notwithstanding the terms contained in paragraph 5, above, the Mental Health Board also reserves the right to require supplementary material for the purposes of monitoring and evaluating the Services and payment. The Provider shall comply with the confidentiality requirements of state and federal law.

17. **HUMAN RIGHTS AND RESEARCH.** The Provider shall respect and protect the human rights of all clients served under this Agreement, and the Provider shall comply with all laws of the State of Illinois and of the United States Government which relate to human and civil rights. No research may be conducted by the Provider on or with any client receiving Services under this Agreement without prior written approval of the Mental Health Board.

18. **LEGAL COMPLIANCE.** The Provider assures and certifies with respect to this Agreement that it possesses legal authority to enter into this Agreement; that a resolution, motion or similar action has been duly adopted or passed as an official act of its governing body authorizing the execution of this Agreement, including all understandings and assurances contained herein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

19. **ASSIGNMENT.** The Provider may not assign this Agreement or the individual Services funded by this Agreement without the prior written consent of the Mental Health Board. The Provider may not subcontract the Services funded by this Agreement without the prior written consent of the Mental Health Board. Notwithstanding any state statute to the contrary, the rights, privileges, immunities and franchises, of a public or private nature, and all property real, personal, and mixed, and all debts due on whatever account, and all other choices in action, and all and every other interest, of or belonging to or due Provider, relative to the subject matter of this Agreement, shall not be merged or consolidated or transferred to or vested in a different corporation or entity without the prior written approval of the Mental Health Board.

20. **SEVERABILITY.** If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

21. **CONTROLLING LAW.** This Agreement is to be governed by the laws of the State of Illinois and the parties agree that venue shall be in McHenry County, Illinois.

22. **REQUIRED CERTIFICATIONS.** By signing this Agreement, the Provider certifies to the Mental Health Board that the Provider is in compliance with all federal and state laws and regulations, and is not, together with its individual employees and contractors, ineligible for contracting with or receiving funds from any governmental entity. Each acceptance of payment from the Mental Health Board shall constitute a further certification of such compliance and eligibility. The Provider shall provide evidence of the certifications of compliance and eligibility upon request by and to the satisfaction of the Mental Health Board.

The laws and regulations with which the Provider must comply and not violate include, but are not limited to: Federal and Illinois criminal statutes, including bribery; bid rigging and fair bidding laws; international boycott laws and regulations under the U.S. Export Administration Act of 1979; the Discriminatory Club Act; the Drug-Free Workplace Act; the Clean Air Act;

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the Federal Water Pollution Control Act; the Pro-Children Act and other laws prohibiting or restricting the use of tobacco products; the Health Insurance Portability and Accountability Act; the Sarbanes-Oxley Act; the Forced Labor Act; the Illinois Use Tax Act; the federal and state Environmental Protection Acts; the Goods from Child Labor Act; the Adult Protective Services Act; State procurement lobbying orders and regulations; federal lobbying laws, regulations, and restrictions; and Subpart C of both Parts 180 and 376 of Title 2 of the U.S. Administrative Code.

The provider further certifies that it is not ineligible from contracting or receiving funds from the Mental Health Board or any federal, state, or local government or agency, for any reason, including but not limited to noncompliance with the above laws and regulations as well as on the basis of educational loan defaults, indebtedness to the State of Illinois or federal government, and the ineligibility of one or more of Provider's employees, contractors, subsidiaries or affiliates.

Provider also acknowledges that the funds received from the Mental Health Board may make the Provider subject to the Illinois Prevailing Wage Act. Further, all projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130) unless the provisions of that Act exempt its application. In the construction of such a project, or any other project where the Provider is bound by the Act to pay prevailing wages, the Provider shall comply with the Act, including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers, and mechanics performing work under the contract and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract.

Provider agrees that any products, including intellectual property, produced in whole or in part with funds under this Agreement are the property of the Mental Health Board and considered as works for hire, and shall not be sold, but shall be turned over to the Mental Health Board upon request.

23. **NOTICE.** All notices or other written communications required or permitted to be given under this Agreement shall be deemed to have been duly given if delivered personally in hand; or sent certified U.S. mail, return receipt requested, postage prepaid; by e-mail, or by fax; on the date received by and addressed to the appropriate party at the following address or as such other address as may be given in writing to the parties:

<p>If to MHB: <u>Leonetta Rizzi</u>, Executive Director McHenry County Mental Health Board 620 Dakota St. Crystal Lake, IL 60012 (815) 455-2828 – Phone (815) 455-2925 - Fax lrizzi@mc708.org</p>	<p>If to Provider: _____, Executive Director _____ Agency _____ Address _____ City/State/Zip _____ Phone _____ Fax _____ Email</p>
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Deleted: Terry Braune

Deleted: Deputy Director/Interim

Deleted: tbraune@mc708.org

24. **ENFORCEMENT COSTS.** The Mental Health Board shall be entitled to all costs incurring in litigating, enforcing or declaring its rights under this Agreement, including all reasonable attorney fees and expenses.

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25. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement of the parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions and agreements that have been made in connection with the subject matter hereof. No modification or amendment to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto. The Executive Director of the Mental Health Board shall be responsible for monitoring and enforcing this Agreement on behalf of the Mental Health Board.

26. **ORIGINAL DOCUMENT; AUTHENTICITY; WAIVER OF OBJECTION TO ADMISSION INTO EVIDENCE.** The parties acknowledge that a signed copy of this Agreement (and any referenced documents) transmitted via email through the use of a .pdf file, photocopy, facsimile, or other process of complete and accurate reproduction and transmission, shall be deemed an original including the signatures affixed thereto. Furthermore, Applicant hereby waives any objection to the admission of a copy of this Agreement (and any referenced documents) into evidence, at any legal proceeding arising out of any claim pertaining to this Agreement (and any referenced documents) based on authenticity or the best evidence rule within the Illinois Rules of Evidence.

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Checked Box indicates Special Conditions (See Work Plan)

**McHENRY COUNTY
MENTAL HEALTH BOARD:**

PROVIDER:

By: _____
Board President

By: _____
Board President or Authorized Designee

Date: _____

Date: _____

By: _____
Board Secretary

By: _____
Board Secretary or Authorized Designee

Date: _____

Date: _____

The Executive Director or Authorized Designee of the Provider hereby certifies that the terms of this Agreement have been completely read and understood by the Executive Director or Authorized Designee of the Provider and that each and every term of this Agreement is accepted by the Provider.

By: _____
Executive Director

By: _____
Executive Director or Authorized Designee

Date: _____

Date: _____

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Attachments: Schedule C
Work Plan Agreement (Exhibit A) and Special Conditions (*If applicable*)
Audit and Appeals Policy and Procedure
Financial Audit Requirements – Funded Providers

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