SANDHILLS CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

PROVIDER AGREEMENT FOR SERVICES

This Provider Agreement is entered into on the **1st, day of December 2022,** by and between Sandhills Center for Mental Health, Developmental Disabilities and Substance Abuse Services ("hereinafter referred to as "Sandhills Center") and the Provider, , (hereinafter referred to as "Provider") and shall remain in effect during the term of Sandhills Center's contract with the State to manage Medicaid Direct services, unless otherwise terminated by either party as set forth in Section 7 of this Agreement. The parties may elect to extend this Agreement's term pursuant to any extension granted between Sandhills Center and the State.

WHEREAS, Sandhills Center is a Prepaid Inpatient Health Plan (hereinafter referred to as "PIHP"), responsible for the management of Behavioral Health and I/DD Services for certain populations excluded or delayed from managed care and thereby eligible to receive Behavioral Health and I/DD Services for Medicaid Direct;

WHEREAS, Provider is duly licensed, certified or otherwise qualified to provide certain health care services; and

WHEREAS, Sandhills Center and Provider desire to enter into this Agreement whereby Provider shall render services to the Members of Sandhills Center and Sandhills Center shall compensate Provider in accordance with the terms and conditions stated herein;

NOW THEREFORE, in consideration of the mutual promises as set forth herein, Sandhills Center and Provider agree as follows:

1. **DEFINITIONS**

As used in this Agreement, each of the following terms shall have the meaning specified herein, unless the context clearly requires otherwise. Any term that is defined in N.C. Gen. Stat. §§ 108D-1 and 122C-3 shall have the same definition in this contract unless otherwise specified.

1.1. **AMENDMENT.** Any change to the terms of this Agreement, including terms incorporated by reference, that modifies fees schedules. A change required by Federal or State law, rule, regulation, administrative hearing or court order or by the State Contract is not an amendment.

1.2. **CLEAN CLAIM.** A claim for payment that can be processed without obtaining additional information from the provider of the service or from a third party. It includes a claim with errors originating in the State's claim system. It does not include a claim from a provider who is under investigation for fraud or abuse, or a claim under review for medical necessity.

1.3. **CONTINUOUS QUALITY IMPROVEMENT ("CQI").** The continuous effort to achieve measurable improvements in the efficiency, effectiveness, and accountability of an organization. This process is designed to improve the quality of services by tracking performance through outcome and performance measures per CMS expectations as described at http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO-13-007.pdf

1.4. **CONTRACT.** A written agreement between an insurer and a Medicaid-enrolled provider for the provision of health care services by the provider on an in-network basis..

1.5. **CONTROLLING AUTHORITY.** This Agreement is required by 42 CFR §§438.206 and 438.214 and shall be covered by the following, including any subsequent revisions or amendments thereto:

1.5.1.1. Title XIX of the Social Security Act and its implementing regulations,

N.C.G.S. Chapter 108A, the North Carolina State Plan for Medical Assistance, the North Carolina Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SA) health plan waiver authorized by the Centers for Medicare and Medicaid Services (CMS) pursuant to section 1915(b) of the Act, and the N.C. Home and Community Based Services Innovations waiver authorized by CMS pursuant to section 1915(c) of the Act; and

1.5.1.2. The federal anti-kickback statute, 42 U.S.C. §1320a-7b(b) and its implementing regulations; the federal False Claims Act, 31 U.S.C. §3729 – 3733 and its implementing regulations; and the North Carolina Medical Providers False Claims Act, N.C. Gen. Stat. §108A-70-10 *et seq*.; and

1.5.1.3. All Federal and State Member's rights and confidentiality laws and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Standard for Privacy of Individually Identifiable Health Information and Health Insurance Reform: Security Standards, 45 CFR Part 164, alcohol and drug abuse patient records laws codified at 42 U.S.C. §290dd-2 and 42 CFR Part 2, the Health Information Technology for Economics and Clinical Health Act (HITECH Act) adopted as part of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and those State laws and regulations denominated in Appendix G; and

1.5.1.4. Regulations concerning access to care, utilization review, clinical studies, utilization management, care management, quality management, disclosure and credentialing activities as set forth in 42 CFR parts 438, 441, 455, and 456; and

1.5.1.5. State licensure and certification laws, rules and regulations applicable to CONTRACTOR; and

1.5.1.6. Applicable provisions of Chapter 122C of the North Carolina General Statutes; and

1.5.1.7. Medical or clinical coverage policies promulgated by the Department in accordance with N.C.G.S. §108A-54.2; and

1.5.1.8. The North Carolina Medicaid and Health Choice Provider Requirements, N.C. Gen. Stat. Ch. 108C; and

1.5.1.9. The Americans With Disabilities Act, Titles VI and VII of the Civil Rights Act of 1964, Section 503 and 504 of the Vocational Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and subsequent amendments and regulations developed pursuant thereto, to the effect that no person shall, on the grounds of sex, age, race, religious affiliation, handicap, or national origin, be subjected to discrimination in the provision of any services or in employment practices; and

1.5.1.10. The Drug Free Workplace Act of 1988; and

1.5.1.11. The requirements and reporting obligations related to the Substance Abuse and Treatment Block Grant (SAPTBG), Community Mental Health Services Block Grant (CMHSBG), Social Services Block Grant (SSBG) and accompanying State Maintenance of Effort (MOE) requirements; Projects to Assist in the Transition from Homelessness (PATH) formula grant; Strategic Prevention Framework – State Incentive Grant (SPF-SIG), Safe and Drug Free Schools and Communities Act (SDFSCA), and all other applicable Federal grant program funding compliance requirements, if applicable; and

1.5.1.12. Any other applicable Federal or State laws, rules or regulations, in effect at the time the Covered Services are rendered and concerning the provision or billing of Medicaid-

reimbursable or State-funded MH/DD/SA services; and

1.5.1.13. Sandhills Center's Provider Operations Manual.

1.6. **COVERED SERVICES.** Medically Necessary behavioral health and I/DD and supplies to which Medicaid Direct Members are entitled pursuant to the State Contract, and which shall be provided to Medicaid Direct Members by Provider, as described more specifically in Appendix A. Covered Services shall be furnished in the amount, duration and scope required under the Program.

1.7. **DEPARTMENT.** The North Carolina Department of Health and Human Services and includes the Division of Health Benefits ("DHB").

1.8. **EFFECTIVE DATE.** The effective date of any Provider added under this Agreement shall be the later of the effective date of this Agreement or the date by which the Provider's enrollment as a Medicaid enrolled provider is effective within the NC Tracks or successor NC Medicaid provider enrollment system(s).

1.9. **EMERGENCY MEDICAL CONDITION.** Has the same meaning as Emergency Medical Condition as defined in 42 C.F.R. § 438.114(a).

1.10. **EMERGENCY SERVICES.** Has the same meaning as Emergency Services as defined in 42 C.F.R. § 438.114(a).

1.11. **HEALTH CARE PROVIDER.** An individual who is licensed, certified or otherwise authorized under Chapter 90 or Chapter 90B of the General Statutes or under the laws of another state to provide health care services in the ordinary course of business or practice of a profession or in an approved education or training program and a facility that is licensed under Chapter 131E or Chapter 122C of the General Statutes or is owned or operated by the State of North Carolina in which health care services are provided to patients.

1.12. **LOCAL MANAGEMENT ENTITY/MANAGED CARE ORGANIZATION ("LME/MCO").** Has the same meaning as LME/MCO as defined in N.C. Gen. Stat. § 122C-3(20c).

1.13. **MEDICAL NECESSITY/MEDICALLY NECESSARY.** Medical necessity is determined by generally accepted North Carolina community practice standards as verified by independent Medicaid consultants. As required by 10A N.C.A.C. 25A.0201, a medically necessary service may not be experimental in nature.

1.14. **MEDICAL RECORD.** A single complete record, maintained by the Provider of services, which documents all of the treatment plans developed for the health care needs of a Member.

1.15. **NOTICE.** A written communication between the parties delivered by trackable mail, electronic means, facsimile or by hand. Any notice sent pursuant to this Agreement shall be sent to the individual designated in Section 11.10 and shall be considered delivered (i) five business days following the date the notice is placed, first-class postage prepaid, in the United States mail; (ii) on the day the notice is hand delivered; (iii) for certified or registered mail, the date on the return receipt; or (iv) for commercial courier service, the date of delivery. Nothing in this Agreement shall prohibit the use of an electronic medium for a communication other than an Amendment if agreed to by Sandhills Center and the Provider.

1.16. **PROVIDER.** Provider means any individual or entity that is engaged in the delivery of services, or ordering or referring for those services, and is legally authorized to do so by the state in which it delivers the services. (42 C.F.R. § 438.2).

1.17. **PROVIDER ENROLLMENT.** The process by which a Provider is enrolled in North Carolina's Medicaid or NC Health Choice programs, with credentialing as a component of enrollment. A Provider enrolled in North Carolina's Medicaid or NC Health Choice programs (or both) shall be referred to as a "Medicaid Enrolled Provider" or an "Enrolled Medicaid Provider."

1.18. **PROVIDER OPERATIONS MANUAL.** Sandhills Center's manual of standards, policies, procedures and corrective actions together with amendments or modifications Sandhills Center may adopt from time to time. The Provider Operations Manual is incorporated herein by reference made part of this Agreement.

1.19. **UNMANAGED VISITS.** Visits not requiring prior authorization.

1.20. **STANDARD PLAN.** Standard Plans provide integrated physical health, behavioral health, pharmacy, and long-term services and supports to Medicaid beneficiaries not eligible for BH/IDD Tailored Plan, as well as has programs and services that address other unmet health related resource needs.

1.21. **STATE.** The State of North Carolina.

1.22. **STATE CONTRACT**. The contract between Sandhills Center and the Department to manage Behavioral Health and I/DD Services for Medicaid Direct.

2. RIGHTS AND OBLIGATIONS OF THE PROVIDER

2.1. Provider agrees to operate and provide Covered Services in accordance with Controlling Authority. Provider shall be responsible for keeping abreast of changes to Controlling Authority and to provide education and training to its staff and employees as appropriate. Provider shall develop and implement a compliance program in accordance with 42 U.S.C. § 1396a(kk)(5).

2.2. **DISCLOSURES.**

2.2.1. The Provider shall make those disclosures to Sandhills Center as are required to be made to DHB pursuant to 42 CFR 104 and 106 and as are required by Sandhills Center's accrediting body. Sandhills Center will share accrediting body requirements with Provider upon request. To the extent any of the required disclosure information is captured in current or existing Medicare or NC Medicaid enrollment application documentation, Sandhills Center shall accept electronic or paper copies of such documentation as meeting this requirement.

2.3. **LICENSES, ACCREDITATIONS, CREDENTIALING AND QUALIFICATIONS.**

2.3.1. Provider shall maintain all licenses, certifications, accreditations and registrations required for its facilities and staff providing services under the Agreement as are required under applicable State and Federal statutes and regulations to meet Sandhills Center's Network participation requirements as outlined in the Department's uniform credentialing and re-credentialing policy. Within ten (10) days after the Provider receives notice of any sanction by any applicable licensing board, certification or registration agency, or accrediting body or other authority which affect the ability of the Provider to bill for Covered Services, the Provider shall forward a copy of the notice to Sandhills Center.

2.3.2. Provider shall at all times be enrolled in the Medicaid program, in accordance with 42 CFR 455.410. Failure to enroll or maintain enrollment constitutes grounds for immediate termination of this Agreement by Sandhills Center.

2.3.3. Provider shall participate in the Department's uniform credentialing process as required for

the Department to screen, enroll and revalidate as a Medicaid enrolled provider.

2.3.4. If this Agreement is executed pending the outcome of the Department's screening, enrollment and revalidation process, the Agreement shall terminate immediately upon notification from the State that Provider cannot be enrolled or upon the expiration of one (1) one hundred twenty (120) Calendar Day period without enrollment of Provider.

2.3.5. Provider certifies that at the time of execution of this Agreement, that neither Provider nor any of its staff or employees, is excluded from participation in Federal Health Care Programs under Section 1128 of the Social Security Act and/or 42 CFR Part 1001. Within five (5) business days of notification or exclusion of Provider or any of its staff or employees of the U.S. Office of Inspector General, CMS or any other State Medicaid program, Provider shall notify Sandhills Center of the exclusion and its plan for compliance.

2.3.6. Provider shall not bill Sandhills Center:

2.3.6.1. For any services provided by Provider during any period of revocation or suspension of required licensure or accreditation of the Provider's facility;

2.3.6.2. For any services provided by a member of Provider's staff during any period of revocation or suspension of the staff member's required certification, licensure, or credentialing.

2.4. BILLING AUDITS, DOCUMENTATION AND RECORD RETENTION

2.4.1. Provider shall at all times be enrolled in North Carolina's Multi-Payer Medicaid Management Information System ("NC Tracks"). Failure to enroll or maintain enrollment constitutes grounds for immediate termination of this Agreement by Sandhills Center.

2.4.2. The funds used by Sandhills Center to make payments to Provider under this Agreement are government funds.

2.4.3. Sandhills Center is prohibited from using any State or Federal funds to pay for reparative/conversion therapy for non-heterosexual sexual orientation in accordance with North Carolina Executive Order #97 and clinical coverage policies.

2.4.4. Unmanaged visits do not require prior authorization. All service delivery, both managed and unmanaged, require documentation and record retention in accordance with this section.

2.4.5. Provider shall not bill any Member for Covered Services, except for specified co-insurance, copayments and applicable deductibles. This restriction shall not prohibit Provider from agreeing with a Member in advance that Sandhills Center may not cover or continue to cover the non-Covered Services. Any provider's responsibility to collect applicable Member deductibles, copayments, coinsurance and fees for non-covered services shall be specified to the Member.

2.4.6. The Provider shall comply with Sandhills Center's Utilization Management program, Quality Management Program, and Provider Network Monitoring and Sanctions Program with the proviso that none of these shall override the professional or ethical responsibility of the Provider or interfere with the Provider's ability to provide information or assistance to their patients.

2.4.7. The Provider shall provide with all necessary clinical information for Sandhills Center's Utilization Management process. Provider shall provide specifically denominated clinical or

encounter information required by Sandhills Center to meet State and Federal monitoring requirements within fifteen (15) calendar days of the request, except that Sandhills Center may grant additional time to respond for good cause shown and depending upon the size and scope of the request. Additionally, Provider will provide any documentation directly to Sandhills Center for review when requested. Sandhills Center will accept delivery of any requested clinical documentation through mutually agreed to solution via electronic means available to Provider and does not require that documentation be transmitted via facsimile.

2.4.8. The Provider shall be responsible for completion of all necessary and customary documentation required for the Covered Services provided under this Agreement in accordance with Controlling Authority. Documentation must support the billing diagnosis, the number of units provided and billed and the standards of the billing code. The Provider is responsible for the adoption, assessment, collection and disposition of fees as required by N.C. Gen. Stat. § 122C-146.

2.4.9. The Provider shall maintain all documentation and records supporting Member's medical necessity for the services and shall provide it to Sandhills Center within fifteen (15) calendar days of a request from Sandhills Center for program integrity purposes, including but not limited to audits, investigations or post-payment reviews, except Sandhills Center may grant additional time to respond for good cause shown and depending upon the size and scope of the request.

2.4.10. The Provider agrees and understands that Sandhills Center may inspect financial records concerning claims paid on behalf of Members, records of staff who delivered or supervised the delivery of paid services to Members demonstrating compliance with applicable Controlling Authority, Member's clinical records, and any other clinical or financial items related to the claims paid on behalf of Members deemed necessary to assure compliance with this Agreement. Provider is also subject to audits, investigations and post-payment reviews conducted by the United States Department of Health and Human Services, including the Office of the Inspector General, CMS, and the Department, or its agents. Program integrity activities do not have to be arranged in advance with the Provider. The equipment purchased with non-unit cost reimbursement funds, such as start up or special purpose funding, title to assets purchased under the contract in whole or in part rests with the Provider so long as that party continues to provide the Covered Services which were supported by this Agreement. If such Covered Services are discontinued, disposition of the assets shall occur as approved by the Department.

2.4.11. In accordance with 42 CFR § 438.208(b)(5), Provider shall maintain and share a Member medical records in accordance with professional standards for each Member that has received Covered Services from Provider. Provider shall adhere to the Federal record retention schedule for each Member served, either in original paper copy or an electronic/digital copy. In addition, Provider shall:

2.4.11.1. Maintain confidentiality of Member medical records and personal information and other health records as required by law;

2.4.11.2. Maintain adequate medical and other health records according to industry and Sandhills Center's standards; and

2.4.11.3. Make copies of such records available to Sandhills Center and the Department in conjunction with its regulation of the PIHP. The records shall be available and furnished immediately upon request in either paper or electronic form at no cost to the requesting party.

2.4.12. The Provider agrees to maintain necessary records and accounts related to this

Agreement, including personnel and financial records in accordance with Generally Accepted Accounting Procedures and Practices to assure a proper accounting of all funds, including budget revisions. Provider shall maintain detailed records of administrative costs and all other expenses incurred pursuant to this Agreement, including the provision of services and all relevant information relating to individual Members as required by Controlling Authority. When an audit is in progress or audit findings are unresolved, records shall be kept until all issues are finally resolved.

2.4.13. At a minimum of once every two (2) years, the Provider will participate in an audit of paid claims conducted by Sandhills Center. Sandhills Center shall conduct an entrance interview at the outset of any such audit. Any paid claims determined to be out of compliance with Controlling Authority shall require a repayment to Sandhills Center as required by the Controlling Authority. Any underpayments to the Provider shall require payment by Sandhills Center. Audits shall be arranged with the Provider in advance, except when Sandhills Center has received a credible allegation of fraud, the health, safety or welfare of Member(s) is at risk, or Sandhills Center is participating in a joint investigation with the Department, its Divisions, its contractor(s) or another Federal or State agency. At the conclusion of any such audit, Sandhills Center shall conduct an exit conference with the Provider to discuss any tentative negative findings. The Provider will receive written documentation of findings within thirty (30) days following the audit. Based upon results of the audit the Provider may be subject to additional auditing and/or may be required to submit a plan of correction and/or may be required to remit funds back to Sandhills Center as required by Controlling Authority. Sandhills Center may use statistical sampling and extrapolate audit results in accordance with Controlling Authority.

2.4.14. The Provider shall use best efforts to provide data to Sandhills Center in the implementation of any studies or improvement projects required of Sandhills Center by the Department. The Provider and Sandhills Center will mutually agree upon the data to be provided for these purposes and the format and time from for the provision of the data.

2.4.15. In accordance with 42 CFR §§ 420.300 through 420.304, for any contracts for services the cost or value of which is $10,000 or more over a 12-month period, including contracts for both goods and services in which the service component is worth $10,000 or more over a 12 month period, the Comptroller General of the United States, the United States Department of Health and Human Services, and their duly authorized representative(s) shall have access to the Provider's books, documents and records until the expiration of four (4) years after the services are furnished under the Agreement.

2.4.16. To the extent permitted under State law, Sandhills Center's provider contracts and its Provider Operations Manual shall require network providers to maintain medical records that meet the requirements of the Department documents captioned, *Records Management and Documentation Manual for Providers* (APSM 45-2); *Rules for MH/DD/SAS Facilities and Services* (APSM 30-1); and *Basic Medicaid Billing Guide;* and any other Controlling Authority. Medical records shall be maintained at the Provider level; therefore, Members may have more than one record if they receive services from more than one Provider. Sandhills Center shall monitor Medical Record documentation to ensure standards are being met. Sandhills Center shall have the right to inspect Provider records without prior notice.

2.4.17. Provider shall also submit a plan for maintenance and storage of all records for approval by Sandhills Center or transfer copies of Medical Record(s) of Members served pursuant to this Agreement to Sandhills Center in the event Provider closes its North Carolina business operations, whether the closure is due to retirement, bankruptcy, relocation to another State or any other reason. Sandhills Center has the sole discretion to approve or disapprove such plan. Sandhills Center shall not be held liable for any Provider records not stored, maintained or transferred pursuant to this provision so long as it has attempted, in good faith, to obtain a

written plan for maintenance and storage or a copy of such records from the Provider. If this Agreement is terminated or if the Provider closes its network operations (but continues to have operations elsewhere in the State), Provider shall either 1) provide copies of medical records of Members to Sandhills Center or 2) submit a plan for maintenance and storage of all records for approval by Sandhills Center. Sandhills Center shall have the sole discretion to approve or disapprove such plan.

2.4.18. Provider shall make available to Sandhills Center its accounting records for the purpose of audit by State authorities and that the party will, when required by statute, to have an annual audit by an independent certified public accountant. A copy will be forwarded to the Office of the State Auditor and Sandhills Center.

2.4.1.8.[possible placeholder for Providers Subject to Rate Floors and/or Other Payment Directives]

2.5. **EVENT REPORTING AND ABUSE/NEGLECT/EXPLOITATION**

2.5.1. Provider shall use its best efforts to ensure that Member(s) are not abused, neglected or exploited while in its care. The Provider shall report all events or instances involving abuse, neglect or exploitation of Member(s) as required by incident reporting guidelines by applicable agencies and must comply with applicable critical incident and death reporting laws, regulations, and policies and event reporting requirements of national accreditation organizations.

2.5.2. If Provider provides services under Outpatient Commitment to a Member, Provider must notify Sandhills Center of the Outpatient Commitment Order upon receipt.

2.5.3. The Provider shall not use restrictive interventions except as specifically permitted by the individual Member's treatment/habilitation plan or on an emergency basis in accordance with 10A N.C.A.C. 27E.

2.5.4. Sandhills Center shall have the right to conduct its own investigation of any events reported to determine whether any claims were paid in error or to ensure compliance with practice guidelines by the requests. The Provider shall cooperate with all such investigative requests. Failure to cooperate is a material breach of this contract. Sandhills Center will provide the Provider a written summary of its findings within thirty (30) days. During such an investigation, if any issues are cited as out of compliance with this Agreement or Federal or State laws, rules or regulations, the Provider may be required to document and implement a plan of correction. The Provider may contest and appeal a determination that claims were paid in error as outlined in the Provider Operations Manual.

2.6. **FRAUD, ABUSE, OVER UTILIZATION AND FINAL OVERPAYMENTS, ASSESSMENTS OR FINES.**

2.6.1. Provider understands that whenever Sandhills Center receives a credible allegation of fraud, abuse, overutilization or questionable billing practice(s), Sandhills Center is required to investigate the matter and where the allegation(s) prove credible, Sandhills Center is required to provide DHB with the provider name, type of provider, source of the grievance, and approximate dollar amount involved. Provider agrees to cooperate in any such investigation, and failure to do so, may result in possible sanction(s) up to and including termination of this Agreement. Provider understands that the Medicaid Fraud Investigations Unit of the North Carolina Attorney General's Office or DHB, at their discretion, may conduct preliminary or full investigations to evaluate the suspected fraud, abuse, overutilization, or questionable billing practice(s) and the need for further action, if any. Fraudulent billing may include, but is not limited to, unbundling services, billing for services by non-credentialed or non-licensed staff, or billing for a service that the Provider never rendered or for which documentation is absent or inadequate.

2.6.2. If Sandhills Center determines Provider has failed to comply with Federal or State law and has been reimbursed for a claim or a portion of a claim that Sandhills Center determines should be disallowed, or that Provider has been paid for a claim that was fraudulently billed to Sandhills Center, Sandhills Center will provide thirty (30) days' notice to Provider of its intent to recoup funds. Such notice of adverse action shall identify the Member(s) name and date(s) of service in question, the specific determination made by Sandhills Center as to each claim, and the requested amount of repayment due to Sandhills Center. Provider shall have thirty (30) days from the date of such notification to either appeal the determination of Sandhills Center or to remit the full amount.

2.6.3. If Sandhills Center or the Provider determine that the Provider has received payment from Sandhills Center as a result of an error or omission, Sandhills Center will provide thirty (30) days' notice to the Provider of its intent to recoup funds related to said errors or omissions. Sandhills Center will provide an invoice to the Provider including the Member(s) name and date(s) of service in question. Provider shall have thirty (30) days from the date of such notification to either appeal the determination of Sandhills Center or to remit the invoiced amount.

2.6.4. Requests for Reconsideration and Appeals of audit determinations are as defined by Controlling Authority and outlined in the Provider Operations Manual.

2.6.5. The Provider understands and agrees that self-audits are expected as necessary by Sandhills Center.

2.6.6. Provider remains responsible for any amounts due and owing under this Section 2.6 of the Agreement even where there is a change of its National Provider Identifier ("NPI") and/or Tax Identification number.

2.7. **MEMBER GRIEVANCES**

2.7.1. The Provider shall address all clinical concerns of the Member as related to the clinical services provided to the Member pursuant to this Agreement. Provider shall refer any unresolved concerns or requests to Sandhills Center. In accordance with 10A N.C.A.C. 27G.0201(a)(18), the Provider shall have in place a written policy for its Grievance Process and procedures for review and disposition of client grievances. The process shall be accessible to all Members and must be operated in a fair and impartial fashion.

2.7.2. Sandhills Center may receive grievances directly that may involve Provider. If such a grievance is received by Sandhills Center, Sandhills Center will follow the State regulations and rules regarding the investigation and/or mediation of said grievance. Provider shall cooperate with all investigative requests as required by Controlling Authority. Failure to cooperate is a material breach of this Agreement and grounds for termination.

2.7.3. Sandhills Center will maintain documentation on all follow-up and findings of any investigation. Provider will be provided a written summary of Sandhills Center's findings upon completion of the investigation.

2.7.4. If any issues are cited as out of compliance with this Agreement or Controlling Authority, the Provider may be required by Sandhills Center to document and implement a plan of correction. The Provider will maintain a system to receive and respond timely to grievances received regarding the Provider, including documentation to include, at a minimum, date received, points of grievance, resolution/follow-up provided and the date grievance was resolved.

2.8. **ACCESS BY SANDHILLS CENTER TO MEMBERS AND MEMBER CARE MONITORING**

2.8.1. Provider shall coordinate the discharge of Members with Sandhills Center to ensure that appropriate services have been arranged following discharge and to link Members with other providers or community assistance. Provider shall also allow appropriately credentialed Sandhills Center staff direct access to any Member, if requested by Member, determined to be clinically appropriate by Member's treating physician and requested in advance by Sandhills Center. Provider shall provide at least twenty-four (24) hours prior notice to Sandhills Center of the intended date and time of any discharge of a Member.

2.8.2. Provider shall with the consent of the Member, collaborate with Member, Member's family or other supports and Sandhills Center staff to assure continuity of care and no disruption of service. Sandhills Center will work collaboratively with Provider to resolve any problem(s) of continuity of care or in transferring the Member to another provider.

2.9. **CONFIDENTIALITY.** For purposes of this Agreement (other than treatment purposes), the Provider may be considered a "Business Associate" of Sandhills Center as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and as such will comply with all applicable HIPAA regulations for Business Associates as further expanded by the Health Information Technology for Economic and Clinical Health Act (HITECH Act), which was adopted as part of the American Recovery and Reinvestment Act of 2009, commonly known as "ARRA" (Public Law 111-5). Pursuant to 45 CFR § 164.506, the Provider and Sandhills Center may share a Member's protected health information ("PHI") for purposes of treatment, payment or health care operations without Member's consent. If required, Provider agrees to enter into a Business Associate Agreement, which is hereby fully incorporated herein by reference.

2.10. **PROPRIETARY INFORMATION AND INTELLECTUAL PROPERTY.** Neither the Provider nor Sandhills Center shall publish or disseminate any advertising or proprietary business material either printed or electronically transmitted (including photographs, films and public announcements) or any business papers and documents which identify the other party or its facilities without prior written consent of the other party. Any documents, reports or other products, with the exception of any and all proprietary business papers and documents, developed in connection with the performance of this Agreement, shall be in the public domain and shall not be copyrighted or marketed for profit by the Provider, Sandhills Center, any individual or other entity; provided, however, that medical records, business records and any other records related to the provision of care to and billing of patients shall not be in the public domain. Provider consents to the use of its demographics, including practice specialties, phone numbers and addresses, in Sandhills Center Provider Directory listings, which will be distributed to Member and will be posted on Sandhills Center's website.

2.11. **HOURS OF OPERATIONS.** The Provider shall arrange for call coverage or other back-up to provide service in accordance with Sandhills Center's standards for provider accessibility for timely access to care and services, taking into account the urgency of the need for services. Provider shall offer hours of operation to Members that are no less than the hours of operation offered to commercial Members or comparable to Medicaid fee-for-service if Provider only serves Medicaid Members. Provider services shall be available 24 hours a day, 7 days a week, including holidays, when medically necessary. Provider shall provide physical access, reasonable accommodations, and accessible equipment for Members with physical or mental disabilities. *See* 42 CFR § 438.206(c).

2.12. **MEMBER RIGHTS**

2.12.1. During the effective period of this Agreement, the Provider shall not be restricted from communicating freely with, providing information to, or advocating for, Members regarding the Member's health care needs and treatment options regardless of benefit coverage limitations.

2.12.2. Providers shall follow a "no-reject policy" for referrals within capacity and parameters of their competencies. Providers shall agree to accept all referrals meeting criteria for services they provide when there is available capacity. Provider's competency to meet individual referral needs will be negotiated between Sandhills Center and Provider.

2.12.3. Provider must provide qualified sign language interpreters if closed captioning is not the appropriate auxiliary aid for a Member. Provider must ensure its staff is trained to appropriately communicate with patients with various types of hearing loss. Provider shall report to Sandhills Center, in a format and frequency to be determined by Sandhills Center, whether hearing loss accommodations are needed and provided, and the type of accommodation provided.

2.12.4. Both parties agree that there shall be no discrimination in the performance of this Agreement against any patient or other person as a result of that individual's race, color, religion, gender, sexual orientation, handicap, age, national origin, source of payment or any other basis prohibited by law.

2.12.5. Provider ensures that Lesbian, Gay, Bisexual, Transgender or Questioning (LGBTQ) Members who obtain Covered Services are not subject to treatment or bias that does not affirm their orientation.

2.13. **CLINICAL OUTCOME MEASURES.** Providers providing Covered Services paid for with Medicaid, Federal and/or State block grant funds shall complete Department-required outcomes assessments on clients in accordance with Department guidelines and any subsequent changes thereto, including but not limited to:

2.13.1. Submission of NC-TOPPS data for individuals receiving Mental Health and Substance Use Disorder services, as specified in the NC-TOPPS Guidelines, Appendix F, and any subsequent changes thereto;

2.13.2. Collection of outcome data for special populations such as consumers transitioning from residential facilities as a result of the 2012 U.S. Department of Justice Settlement Agreement with the State of North Carolina in accordance with the guidelines and the age and disability appropriate outcome instruments defined by Sandhills Center; and

2.13.3. Participation in surveys of provider staff and Members conducted by the Department and Sandhills Center in accordance with Department guidelines and any subsequent changes thereto.

2.14. **INSURANCE.** All Sandhills Center Network Providers must obtain and continually maintain the following, if applicable: (i) General Liability Insurance; (ii) Automobile Liability Insurance; (iii) Worker's Compensation Insurance; (iv) Employer's Liability Insurance; and (v) Professional Liability Insurance. Provider shall ensure amounts of coverage are equal to or exceed the limits established by Sandhills Center, which may include exception criteria to ensure adequate access to Covered Services. Licensed Practitioners who do not employ any staff shall not be required to obtain Worker's Compensation or Employer's Liability Insurance. Licensed Practitioners who certify in writing that they do not transport clients shall not be required to obtain Automobile Liability Insurance. Sandhills Center shall review its insurance limits annually and revise them as needed. Network Providers shall obtain coverage that cannot be suspended, voided, canceled or reduced unless the carrier gives thirty (30) days prior written notice to Sandhills Center. Providers shall submit certificates of coverage to Sandhills Center upon request as defined herein. Upon request, Sandhills Center shall submit copies of these certificates to DHB. Provider not only has an obligation to maintain professional liability insurance coverage in an amount acceptable to Sandhills Center but must notify Sandhills Center of subsequent changes in its status of

professional liability insurance within at least ten (10) days of such change.

2.15. **RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT PROVIDERS.** Residential Substance Use Disorder Treatment providers shall either provide medication assisted treatment (MAT) on-site or refer to an in-network MAT provider.

3. **RIGHTS AND OBLIGATIONS OF SANDHILLS CENTER**

3.1. **REIMBURSEMENT**

3.1.1. **Sandhills Center shall reimburse Provider for Covered Services to Members according to** the terms and conditions outlined Section 4 of this Agreement and as authorized by Sandhills Center, except for those instances where treatment authorization is not required.

3.1.2. Sandhills Center shall advise the Provider of any change in funding patterns that would affect reimbursement to the Provider based on availability of the funds. Any changes to reimbursement shall be in writing to Provider thirty (30) days prior to such changes based on the availability of the funds.

3.1.3. [placeholder for methodology to be used as a basis for payment to provider consistent with N.C. Gen. Stat. § 58-3-227(a)(5).]

3.2. **CONFIDENTIALITY**

3.2.1. If Provider discloses confidential information and notifies Sandhills Center as such, as that term is defined in N.C. Gen. Stat. § 132-1.2, in connection with the Provider's performance of this Agreement, Sandhills Center will protect the information from public disclosure to the extent permitted by N.C. Gen. Stat. § 132-1.2. If Provider determines that all of the information on any given document constitutes trade secret information, as that term is defined in N.C. Gen. Stat. § 66-152(3), Provider may designate the entire page as confidential by marking the top and bottom of the page with the word "CONFIDENTIAL" in upper-case bold-face type. If Provider determines that any given page of a document contains a mixture of trade secrets and non- confidential information, Provider may highlight the trade secrets and indicate in the margins that the highlighted text constitutes a confidential trade secret. By so marking any page, Provider warrants that it has formed a good faith opinion, upon advice of counsel or other knowledgeable advisors, that the items marked confidential meet the requirements of N.C. Gen. Stat. §§ 66- 152(3) and 132.1.2(1). Pursuant to 9 N.C.A.C. 6B.1001, price information presented in response to a solicitation shall not be designated as confidential.

3.2.2. Sandhills Center may serve as the custodian of Provider's trade secrets, but not as an arbiter of claims against the Provider's assertion of confidentiality. I fan action is brought pursuant to N.C. Gen. Stat. § 132-9 to compel Sandhills Center to disclose information marked confidential, Provider agrees that it will intervene in the action through counsel and participate in defending Sandhills Center, the Department and their officials and employees against the action. Provider agrees that it shall hold the State, Sandhills Center and their officials, agents and employees harmless from any and all damages, costs and attorneys' fees awarded against Sandhills Center or the State. Sandhills Center agrees to give Provider prompt written notice of any action seeking to compel disclosure of Provider's trade secrets. Sandhills Center and the State shall have the right, at its option and expense, to participate in the defense of the action through their own counsel. Sandhills Center and the State shall have no liability to Provider with respect to the disclosure of Provider's trade secrets pursuant to an order issued by a court of competent jurisdiction pursuant to N.C. Gen. Stat. § 132-9 or any other applicable law.

3.3. **REFERRALS.** Sandhills Center may refer Members to Provider for Covered Services based on medical necessity and the Member's individual choice. Sandhills Center reserves the right to refer Members to other providers, and no referrals or authorizations are guaranteed to take place under this Agreement. Where Provider has not provided a Covered Service in a period of six (6) months, Sandhills Center may designate any such service as in "inactive status" and remove it from Sandhills Center's referral listings. Active status and subsequent referrals will resume upon submission of a valid claim for the Covered Service.

3.4. **UTILIZATION MANAGEMENT.** Sandhills Center shall monitor and review service utilization data related to the Provider and Sandhills Center's Provider Network to ensure that Covered Services are being provided in a manner consistent with Controlling Authority and the State

Contract.

3.5. **QUALITY ASSURANCE AND QUALITY IMPROVEMENT.** Sandhills Center shall establish a written program for Quality Assessment and Performance Improvement in accordance with 42 CFR § 438.330 that shall include Members, family and other supports and providers through a Global Quality Assurance Committee, and Sandhills Center shall:

3.5.1. Provide Provider with a copy of the current program and any subsequent changes within thirty (30) days of changes to the Global Quality Assurance Plan.

3.5.2. Measure the performance of providers and Member specific outcomes from service provisions based on the global CQI performance indicators. Examples include, but are not limited to, conducting peer review activities such as identification of practices that do not meet standards, recommendation of appropriate action to correct deficiencies, and monitoring of corrective action by providers.

3.5.3. Monitor the quality and appropriateness of care furnished to Members and assure compliance with the rules and State statutes under N.C. Gen. Stat. § 122C-142.

3.5.4. Provide performance feedback Provider, including clinical standards and Sandhills Center's expectations.

3.5.5. Provide data about individual Members for research and study to the Provider based on the parameters set by Sandhills Center.

3.6. **CARE MANAGEMENT/ COORDINATION OF CARE**

3.6.1. Sandhills Center shall ensure the coordination of care with each Member's primary care provider and any behavioral health provider enrolled to provide care for each Member. Sandhills Center shall coordinate the discharge of Members with Provider to ensure that appropriate services have been arranged following discharge and to link Member with other providers or community assistance.

3.6.2. Sandhills Center shall provide coordination of care to high-risk Members discharged from twenty-four hour care.

3.6.3. If an Member requires medically necessary MH/DD/SA services, Sandhills Center shall arrange for Medicaid-reimbursable services for the Member when possible.

3.7. **AUTHORIZATION OF SERVICES**

3.7.1. Sandhills Center shall determine medical necessity for those Covered Services requiring prior authorization as set forth in Controlling Authority, including DHB Clinical Coverage Policies.

3.7.2. For those Covered Services requiring prior authorization, Sandhills Center shall issue a decision to approve or deny a service within fourteen (14) calendar days after receipt of the request, provided that the deadline may be extended for up to fourteen (14) additional calendar days if (i) the Member requests the extension; or (ii) the Provider requests and extension; or (iii) Sandhills Center justifies to the Department upon request (a) a need for additional information and (b) how the extension is in the Member's interest.

3.7.3. In those Covered Services requiring prior authorization in which the Provider indicates, or Sandhills Center determines, that adherence to the standard timeframe could seriously jeopardize a Member's life or health or ability to attain, maintain or regain maximum function, including but not limited to psychiatric inpatient hospitalization services, Sandhills Center shall issue a decision to approve or deny a Covered Service within three (3) calendar days after it receives the request for services, provided that the deadline may be extended for up to fourteen (14) additional calendar days if (i) the Member requests the extension; or (ii) the Provider requests and extension; or (iii) Sandhills Center justifies to the Department upon request (a) a need for additional information and (b) how the

extension is in the Member's interest.

3.7.4. For those Covered Services requiring prior authorization, Sandhills Center shall permit retroactive authorization of such services in instances where the Member has been retroactively enrolled in the Medicaid program, or where the Member has primary insurance which has not yet paid or denied their claim. Retroactive authorizations include requests for deceased Members. The request for authorization must be submitted within ninety (90) days of primary denial or notice of enrollment.

3.7.5. Upon the denial of a requested authorization, Sandhills Center shall inform Member's attending physician or ordering provider of the availability of a peer to peer conversation, to be conducted within one business day.

3.7.6. Appeals of any denial will be conducted pursuant to those procedures outlined in the Provider Operations Manual. Provider must cooperate with any Member during the Appeal process.

3.7.7. In conducting prior authorization, Sandhills Center shall not require Provider to resubmit any data or documents previously provided to Sandhills Center for the Member's presently authorized services.

3.7.8. Sandhills Center will accept retroactive requests for authorization of outpatient procedures in those instances where, in accordance with generally accepted North Carolina community practice standards and meeting the North Carolina Medicaid Medically Necessary Standard, an authorized outpatient procedure was modified or supplemented as a result of clinical findings or outcomes arising during the authorized outpatient procedure. Provider shall submit such retroactive requests for authorization within three (3) business days of concluding the authorized outpatient procedure.

3.8. **POLICIES AND PROCEDURES.** Sandhills Center's policies and procedures applicable to contracted Providers are incorporated into the Provider Manual and/or posted to the Sandhills Center's website. Nothing contained in said policies and procedures shall conflict with or override any term of this Agreement, including contract fee schedules.

3.9. **DATA TO PROVIDER.** Sandhills Center shall furnish to Provider any such data and information as may be necessary for Provider to fulfill its obligations to Sandhills Center under this Agreement. Such data and information includes, but is not necessarily limited to: (a) performance feedback reports or information if compensation is related to efficiency criteria; (b) information on benefit exclusions, administrative and utilization management requirements, credential verification programs, quality assessment programs, and provider sanction policies; and (c) notification of changes in these requirements. Plan may provide such information through its Provider Manual and periodic updates thereto.

4. BILLING AND REIMBURSEMENT

4.1. Provider is responsible for verifying Member eligibility prior to rendering services and submitting claims for payment by using the mechanism provided by Sandhills Center. If an individual presents for Covered Services who is not eligible for Medicaid and the Provider reasonably believes that the individual meets the Medicaid financial eligibility requirements, Provider shall offer to assist the individual in applying for Medicaid.

4.2. Sandhills Center Medicaid reimbursement rate can be revised unilaterally by the Department at any time. Sandhills Center may unilaterally revise reimbursement rates under this contract with 30 days' notice.

4.3. Provider shall comply with all terms of this Agreement even though a third-party agent may be involved in billing the claims to Sandhills Center. It is a material breach of this Agreement to assign the right to payment under this Agreement to a third party in violation of 42 C.F.R. §447.10.

4.4. Provider understands that there are circumstances that may cause the Member to be disenrolled from or by Sandhills Center. If the disenrollment arises from the Member's loss of Medicaid eligibility, Sandhills Center shall be responsible for claims for the Member up to and including the Member's last day of eligibility. If the disenrollment arises from a change on the Member's Medicaid County of residence,

Sandhills Center shall be responsible for claims for Member up to the effective date of date of the change in Medicaid County of residence. In any instance of Member's disenrollment, preexisting authorizations will remain valid for any Covered Services actually rendered prior to the date of disenrollment.

4.5. Provider shall bill Sandhills Center for all Covered Services as listed in Attachment A provided to Members who reside in the region designated to Sandhills Center by the State.

4.6. Unless otherwise indicated, Sandhills Center will pay the Provider the lesser of the Provider's current usual and customary charges or Sandhills Center's established rate for services.

4.7. **SUBMISSION OF CLAIMS**

4.7.1. Claims must be submitted electronically either through HIPAA Compliant Transaction Sets 820 – Premium Payment, 834 – Member Enrollment and Eligibility Maintenance, 835 – Remittance Advice, 837P – Professional claims, 837I – Institutional claims, or the PLAN's secure web based billing system.

4.7.2. Provider's claims shall be compliant with the National Correct Coding Initiative effective at the date of service.

4.7.3. Both parties shall be compliant with the requirements of the National Uniform Billing Committee.

4.7.4. Claims for Covered Services must be submitted within one hundred eighty (180) days of the date of service or discharge (whichever is later), except in the instances denominated in section 4.10.5 below. All claims submitted past one hundred eighty (180) days of the date of service or discharge (whichever is later) will be denied and cannot be resubmitted except in the instances denominated in section 4.10.5 below. Sandhills Center is not responsible for processing or payment of claims that are submitted more than one hundred eighty (180) days after the date of service or discharge (whichever is later) except in the instances denominated in section 4.10.5 below. The date of receipt is the date Sandhills Center receives the claim, as indicated on the electronic data records.

4.7.5. Provider may submit claims subsequent to the one hundred eighty (180) day limit in instances where the Member has been retroactively enrolled in the Medicaid program or with Sandhills Center, or where the Member has primary insurance which has not yet paid or denied its claim. In such instances, Provider may bill Sandhills Center within ninety (90) days of receipt of notice by the Provider of the Member's eligibility for Medicaid, or within ninety (90) days of final action (including payment or denial) by the primary insurance or Medicare the date of service or discharge (whichever is later).

4.7.6. If provider delays submission of the claims due to the coordination of benefits, subrogation of benefits or the determination of eligibility for benefits for the Member, Provider shall submit such claims within thirty (30) days of the date of the notice of determination of coverage or payment by the third party.

4.7.7. If a claim is denied for reasons other than those stated above in section 4.10.4 and the Provider wishes to resubmit the denied claim with additional information, must resubmit the claim within ninety (90) days after CONTRACTOR's receipt of the denial. If the CONTRACTOR needs more than ninety (90) days to resubmit a denied claim, CONTRACTOR must request and receive an extension from the PLAN before the expiration of the ninety (90) day deadline, such extension not to be unreasonably withheld.

4.7.8. All claims shall be adjudicated as outlined in Sandhills Center's Provider Operations Manual and Chapter 108C of the North Carolina General Statutes.

4.7.9. Billing Diagnosis submitted on claims must be consistent with the service provided.

4.7.10. If a specific service (as denominated by specific identifying codes such as CPT or HCPCS) is rendered multiple times in a single day to the same Member, the specific service may be billed as the aggregate of the units delivered rather than as separate line items.

4.7.11. Sandhills Center shall not reimburse Provider for "never events."

4.8. **PAYMENT OF CLAIMS**

4.8.1. Sandhills Center shall reimburse Provider for approved Clean Claims for Covered Services requiring prior authorization within thirty (30) days of the date of receipt. Clean claims for emergency services which do not require prior authorization shall be reimbursed within thirty (30) days of the date of receipt.

4.8.2. Within eighteen (18) days after Sandhills Center receives a claim from Provider, Sandhills Center shall either: (1) approve payment of the claim, (2) deny payment of the claim, or (3) request additional information that is required for making an approval or denial.

4.8.3. If Sandhills Center denies payment of a claim Sandhills Center shall provide Provider the ability to electronically access the specific denial reason.

4.8.4. "Claims Status" of a claim shall be available within five to seven (5-7) days of Sandhills Center receives the claim

4.8.5. If Sandhills Center determines that additional information in either original or certified copy form is required for making the approval or denial of the claim, Sandhills Center shall notify the Provider within eighteen (18) days after Sandhills Center received the claim. Sandhills Center shall have fifteen (15) days to provide the additional information requested, or the claim shall be denied. Upon Sandhills Center's receipt of the additional information from the Provider, Sandhills Center shall have an additional eighteen (18) days to process the claim as set forth in section 4.11.2 above.

4.8.6. Sandhills Center is not limited to approving a claim in full or requesting additional information for the entire claim. Rather, as appropriate, Sandhills Center may approve a claim in part, deny a claim in part, and/or request additional information for only a part of the claim, as long as Sandhills Center either approves, denies, or requests additional information for each part of the claim within the required eighteen (18) day period.

4.8.7. If Sandhills Center fails to pay Provider within these parameters, Sandhills Center shall pay to Provider interest in the amount of eight percent of the claim amount beginning on the date following the day on which the payment should have been made.

4.8.8. Sandhills Center will not reimburse Provider for services provided by staff not meeting licensure, certification, credentialing, or accreditation requirements.

4.8.9. Provider understands and agrees that reimbursement rates paid under this Agreement are established by Sandhills Center.

4.8.10. Sandhills Center will accept Provider's designated, North Carolina licensed, physician advisor with knowledge of the unit and care of the Member as provider's approved representative for a claim or prior authorization in review or dispute.

4.9. **THIRD PARTY REIMBURSEMENT**

4.9.1. Provider will comply with N.C. Gen. Stat. §122C-146, which requires Sandhills Center to make every reasonable effort to collect payments from third party payors. Each time an

Member receives Covered Services, Provider shall determine if the Member has third party coverage that covers the service provided.

4.9.2. Provider is required to bill all applicable third party payors prior to billing Sandhills Center.

4.9.3. Medicaid benefits payable through Sandhills Center are secondary to benefits payable by a primary payor, including Medicare, even if the primary payor states that its benefits are secondary to Medicaid benefits or otherwise limits its payments to Medicaid Members.

4.9.4. Sandhills Center makes secondary payments to supplement the primary payment if the primary payment is less than the lesser of the usual and customary charges for the service or the rate established by Sandhills Center.

4.9.5. Sandhills Center does not make a secondary payment if the Provider is either obligated to accept, or voluntarily accepts, as full payment, a primary payment that is less than its charges.

4.9.6. If Provider receives a reduced primary payment because of failure to file a proper claim with the primary payor, Sandhills Center's secondary payment may not exceed the amount that would have been payable if the primary payor had paid on the basis of a proper claim.

4.9.7. Provider must inform Sandhills Center that a reduced payment was made, and the amount that would have been paid if a proper claim had been filed.

4.9.8. Provider shall bill Sandhills Center for third party co-pays and/or deductibles only as permitted by Controlling Authority.

4.10. **UNDERPAYMENT/PAYMENTS POST APPEALS**

4.10.1. If Sandhills Center determines that Provider has not been paid a claim or a portion of a claim that Sandhills Center determines should be allowed for any reason, Sandhills Center shall provide thirty (30) days' notice to the Provider of the intent to pay the claims or portions of claims. Such notice of action shall identify the Member(s) name and date(s) of service in question, the specific determination made by Sandhills Center as to each claim, and the amount of payment due to the Provider. Provider shall have thirty (30) days from date of such notification to appeal the determination of Sandhills Center. Sandhills Center shall make such payment within thirty (30) days of the date of the notice of intent to pay claims or portions of claims.

4.10.2. Within thirty (30) days of the conclusion of any grievance, appeal or litigation that determines that Sandhills Center improperly failed to pay a claim or a portion of a claim to Provider, Sandhills Center shall remit the amount determined to be owed to Provider.

4.11. **DISPUTE RESOLUTION.** The parties shall follow the appeals process outlined in the Provider Operations Manual to resolve any contractual differences between them or any other issues arising from the Agreement.

4.12. Any residential substance use disorder treatment provider must either provide medication assisted treatment (MAT) on-site or refer to an in-network MAT provider.

5. **TERMINATION**

5.1. This Agreement may be terminated under the following circumstances:

5.1.1. Either party may terminate the Agreement if Federal, State or local funds allocated to Sandhills Center are revoked or terminated in a manner beyond the control of Sandhills Center for any part of the Agreement period. If Federal, State, or local funds allocated to Sandhills Center are reduced in a manner beyond the control of Sandhills Center, Sandhills Center will notify Provider and provide payment to Provider for Covered Services provided which were authorized by Sandhills

Center prior to the notification and for which CONTRACTOR has been qualified and credentialed.

5.1.2. Please note that termination of this Agreement is not disenrollment from the North Carolina Medical Assistance Plan. Either party may terminate the Agreement with cause upon thirty (30) days' notice to the other party; cause shall be documented in writing detailing the grounds for the termination, after providing notice of any grounds for termination and where feasible, an opportunity to cure any defects. A Plan of Correction may be entered upon the Parties' agreement if not in contradiction with Rule, Statute or other Regulation, and if the parties both agree that the deficiency is likely to be remedied by such a Plan. As required by the State Contract, Sandhills Center shall provide information on its appeal process in its Provider Operations Manual. Cause for termination of the Contract may include, but is not limited to:

5.1.2.1. Failure of either party to implement or provide functions or services as specified in the Agreement. Failure to provide timely complete and accurate documentation of Covered Services as required by this Agreement may lead to withholding of funds to Provider or termination of the Agreement; and/or

5.1.2.2. The conduct of either party or either party's employees or agents or the standard of Covered Services provided threatens to place the health or safety of any Member in jeopardy. Conduct of the either party's employee(s) or agent(s) that threatens to place the health or safety of any Member in jeopardy shall not constitute grounds for termination of the entire Agreement provided the party takes appropriate action toward said employee(s) or agent(s). Either party maintains its right to terminate this Agreement should the other party fail to take appropriate action toward employees or agents whose conduct threatens to place the health or safety of any Member in jeopardy; and/or

5.1.2.3. Provider fails to cooperate with any investigation authorized by Controlling Authority and deemed necessary by Sandhills Center in regard to Sandhills Center Members; and/or

5.1.2.4. Sandhills Center may immediately suspend some or all activities under a provider contract upon finding a credible allegation of fraud, waste, abuse, or serious quality of care concerns by Sandhills Center or the Department.

5.1.2.5. Sandhills Center fails to make payments as established in Section 4, Billing and Reimbursement; and/or

5.1.2.6. Sandhills Center fails to make authorization as established in Section 3.10; and/or

5.1.2.7. Provider fails to reimburse Sandhills Center for final overpayments identified Sandhills Center or fails to comply with payment plans established by Sandhills Center as outlined in Section 4, Billing and Reimbursement; and/or

5.1.2.8. Any other material breach of this Agreement.

5.2. **Sandhills Center may terminate this Agreement immediately without prior written notice in the following circumstances:**

5.2.1. **Loss of Provider's required facility or professional licensure; or**

5.2.2. **The final substantiation and determination by DHB of Medicaid fraud and/or abuse. 42 CFR Part 455 – Program Integrity; Medicaid: 10A N.C.A.C. 22F – Program Integrity; N.C. Gen. Stat. §108A–63 Medicaid assistance provider fraud; and/or any other applicable law, regulation or rule.**

5.2.3. A confirmed finding of serious quality of care concerns by Sandhills Center or the Department.

5.2.4. Termination of Sandhills Center's contract by the State.

5.3. This Agreement may be terminated at any time upon mutual consent of both parties with mutually agreed upon notice to Members.

5.4. This Agreement may be terminated for any cause, or no cause, after thirty (30) days' notice of termination to either party by one of the contracting parties.

5.5. In the event that Controlling Authority should be amended or judicially interpreted so as to render the fulfillment of the Agreement on the part of either party unfeasible or impossible, both the Provider and Sandhills Center shall be discharged from further obligation under the terms of this Agreement, except for settlement of the respective debts and claims up to the date of termination.

6. **EFFECTIVE OF TERMINATION**

6.1. The obligations of both parties under this Contract shall continue following termination, only as to the terms and conditions outlined in Sections 2.3.2, 2.4.1, 2.6.1, 2.7.2, and 7.

6.2. Upon termination, Provider shall notify Sandhills Center of Members with previously scheduled appointments.

6.3. Upon notice of termination, a post-payment review of billing, documentation and other fiscal records may be performed and any adjustments for amounts due or owed to either party shall be added or deducted from the final Agreement payments.

6.4. In the event of termination, Provider shall submit all claims or registrations of putative Members within ninety (90) days of the date of termination.

6.5. The parties shall settle their respective debts and claims within the timeframes established within Sections 4.11

6.6. In the event of any audit or investigation described in 2.4 above, both parties shall settle their debts and claims within thirty (30 days) of the completion of such audit or investigation and receipt of all final billing and required documentation. All payments provided herein shall be adjusted so as not to exceed the amount due for services actually rendered prior to the date of termination. If advance payments have been made for services not provided as of the date of termination, Provider shall promptly refund all excess funds paid within the above-referenced thirty (30) days.

6.7. Provider remains responsible for any amounts owed to Sandhills Center prior to the termination of this Agreement for any reason.

6.8. Provider shall comply with Controlling Authority to ensure continuity of care for Members by providing notice to Sandhills Center with respect to the closing of a facility. A transition plan shall be developed and shared with Sandhills Center for each Member prior to being discharged.

6.9. In the case of Sandhills Center's insolvency, Sandhills Center shall transition its administrative duties and records under this Agreement to the Department or its designated entity and provide for the continuation of care when inpatient care is on-going in accordance with the requirements of the State Contract. If Sandhills Center provides or arranges for the delivery of health care services on a prepaid basis, inpatient care shall be continued until the patient is ready for discharge.

7. **ADDITIONAL STATE REQUIREMENTS**

7.1. **Compliance with State and Federal Laws**. Provider understands and agrees that it is subject to all state and federal laws, rules, regulations, waivers, policies and guidelines, and court-ordered consent decrees, settlement agreements, or other court orders that apply to the Contract and the Sandhills Center's managed care contract with the North Carolina Department of Health and Human Services (NC DHHS), and all persons or entities receiving state and federal funds. Provider understands and agrees that any violation by a provider of a state or federal law relating to the delivery of services pursuant to this contract, or any violation of Sandhills Center's contract with NC DHHS could result in liability for money damages, including civil or criminal penalties and sanctions under state and/or federal law.

7.2. **Hold Member Harmless.** Provider agrees to hold the Member harmless for charges for any Covered Service. Provider agrees not to bill a Member for Medically Necessary services covered by Sandhills Center so long as the Member is eligible for coverage.

7.3. **Liability.** Provider understands and agrees that the NC DHHS does not assume liability for the actions of, or judgments rendered against, Sandhills Center, its employees, agents or subcontractors. Further, Provider understands and agrees that there is no right of subrogation, contribution, or indemnification against NC DHHS for any duty owed to Provider by Sandhills Center or any judgment rendered Sandhills Center.

7.4. **Non-discrimination; Equitable Treatment of Members**. Provider agrees to render services to Members with the same degree of care and skills as customarily provided to Provider's patients who are not Members, according to generally accepted standards of medical practice. Provider and Sandhills Center agree that Members and non-Members should be treated equitably. Provider agrees not to discriminate against Members on the basis of race, color, national origin, age, sex, gender, LGBTQ status, or disability.

7.5. **Department Authority Related to the Medicaid Program**. Provider agrees and understands that in the State of North Carolina, the Department of Health and Human Services is the single state Medicaid agency designated under 42 C.F.R. § 431.10 to administer or supervise the administration of the state plan for medical assistance. The Division of Health Benefits is designated with administration, provision, and payment for medical assistance under the Federal Medicaid (Title XIX) and the State Children's Health Insurance (Title XXI) (CHIP) programs. The Division of Social Services (DSS) is designated with the administration and determination of eligibility for the two programs.

7.6. **Access to Provider Records**. Provider agrees to provide at no cost to the following entities or their designees with prompt, reasonable, and adequate access to the Sandhills Center and Provider Contract and any records, books, documents, and papers that relate to the Sandhills Center and Provider Contract and/or the Provider's performance of its responsibilities under this contract for purposes of examination, audit, investigation, contract administration, the making of copies, excerpts or transcripts, or any other purpose NC DHHS deems necessary for contract enforcement or to perform its regulatory functions:

7.6.1. The United States Department of Health and Human Services or its designee;

7.6.2. The Comptroller of the United States or its designee;

7.6.3. The North Carolina Department of Health and Human Services (NC DHHS), its Medicaid managed care program personnel, or its designee;

7.6.4. The Office of Inspector General;

7.6.5. North Carolina Department of Justice Medicaid Investigations Division;

7.6.6. Any independent verification and validation contractor, audit firm or quality assurance contractor acting on behalf of NC DHHS;

7.6.7. The North Carolina Office of State Auditor, or its designee;

7.6.8. A State or federal law enforcement agency; and

7.6.9. Any other state or federal entity identified by NC DHHS, or any other entity engaged by NC DHHS.

Provider shall cooperate with all announced and unannounced site visits, audits, investigations, post-payment reviews, or other program integrity activities conducted by NC DHHS.

Nothing in this section shall be construed to limit the ability of the federal government, the Centers for Medicare and Medicaid Services, the U.S. Department of Health and Human Services Office of Inspector General, the U.S. Department of Justice, or any of the foregoing entities' contractors or agents, to enforce federal requirements for the submission of documentation in response to an audit or investigation.

7.7. **Provider Ownership Disclosure**. Provider agrees to disclose the required information, at the time of application, and/or upon request, in accordance with 42 C.F.R.§ 455 Subpart B, related to ownership and control, business transactions, and criminal conviction for offenses against Medicare, Medicaid, CHIP and/or other federal health care programs. See 42 C.F.R. § 455, Parts 101 through 106 for definitions, percentage calculations, and requirements for disclosure of ownership, business transactions, and information on persons convicted of crimes related to any federal health care programs.

Provider agrees to notify, in writing, PIHP and NC DHHS of any criminal conviction within twenty (20) days of the date of the conviction.

7.8. **Prompt claim payments under health benefit plans.** The Provider shall submit all claims to Sandhills Center for processing and payments within one-hundred-eighty (180) calendar days from the date of covered service or discharge (whichever is later). However, the Provider's failure to submit a claim within this time will not invalidate or reduce any claim if it was not reasonably possible for the Provider to submit the claim within that time. In such case, the claim should be submitted as soon as reasonably possible, and in no event, later than one (1) year from the time submittal of the claim is otherwise required.

7.8.1. Sandhills Center shall within eighteen (18) Calendar Days of receiving a Claim notify the provider whether the claim is clean or pend the claim and request from the provider all additional information needed to process the claim.

7.8.2. Sandhills Center shall pay or deny a Clean Claim at lesser of thirty (30) Calendar Days of receipt of the Claim or the first scheduled provider reimbursement cycle following adjudication.

7.8.3. A medical pended Claim shall be paid or denied within thirty (30) Calendar Days of receipt of the requested additional information.

7.8.4. If the requested additional information on a Claim is not submitted within ninety (90) days of the notice requesting the required additional information, Sandhills Center shall deny the claim.

7.8.5. Sandhills Center shall reprocess claims in a timely and accurate manner as described in this provision (including interest and penalties if applicable).

7.8.6. If Sandhills Center fails to pay a Clean Claim in full pursuant to this provision, Sandhills Center shall pay the Provider interest and penalties. Late Payments will bear interest at the annual rate of eighteen (18) percent beginning on the date following the day on which the Claim should have been paid or was underpaid.

7.8.7. Failure to pay a Clean Claim within thirty (30) days of receipt will result in Sandhills Center paying Provider penalties equal to one (1) percent of the total amount of the Claim per day beginning on the date following the day on which the Claim should have been paid or was underpaid.

7.8.8. Sandhills Center shall pay the interest and penalties from sections (e) and (f) as provided in that subsection and shall not require the Provider to request the interest or the liquidated damages.

7.9. Tobacco-free Policy. Provider shall develop and implement a tobacco-free policy covering any portion of the property on which Provider operates that is under its control as owner or lessee, to include buildings, grounds, and vehicles. A tobacco-free policy includes a prohibition on smoking combustible tobacco products and the use of non-combustible tobacco products, including electronic cigarettes, as well as prohibiting Provider from purchasing, accepting as donations, and/or distributing tobacco products (combustible and non-combustible products including electronic cigarettes) to the clients Provider serves.

Contracts with facilities that are owned or controlled by the Provider, and which provide ICF-IID services or IDD residential services that are subject to the Home and Community Based Services (HBCS) final rule shall at a minimum include the following in relation to the implementation of a tobacco-free policy. In these settings, the following policies shall be required:

Provider shall develop and implement a tobacco-free policy that includes at a minimum the following requirements:

1. Indoor use of tobacco products shall be prohibited in all settings that are owned/operated by Provider.
2. For outdoor areas of campus, Provider shall:
    a. Ensure access to common outdoor space(s) that are free from exposure to tobacco products/use; and
    b. Prohibit staff/employees from using tobacco products anywhere on campus.

8. **MISCELLANEOUS**

8.1. Provider is an independent contractor. This Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association between the parties, their employees, partners or agents. Neither party shall be considered an employee or agent of the other for any purpose, including but not limited to, compensation for services, employee welfare and pension benefits, workers' compensation insurance, or any other fringe benefits of the employment. Sandhills Center and Provider shall be liable solely for their own activities and neither Sandhills Center nor Provider shall be liable to any third party for the activities of the other party to this Agreement.

8.2. This Agreement, being for the purpose of retaining the professional services of Provider, shall not be assigned, subcontracted, delegated or transferred by Provider without the express written consent of Sandhills Center. Sandhills Center shall notify Provider, in writing, of any duties or obligations that are being delegated or transferred by Sandhills Center before said delegation or transfer occurs.

8.3. Sandhills Center shall send any proposed contract amendment to the notice contact of Provider. The proposed amendment shall be dated, labeled "Amendment," signed by Sandhills Center, and include an effective date for the proposed amendment. Provider shall be given at least sixty (60) days from the date of receipt of the proposed amendment to object. The proposed amendment shall be effective upon Provider failing to object in writing within sixty (60) days. If provider objects to a proposed amendment, then the proposed amendment is not effective, and Sandhills Center shall be entitled to terminate the contract upon sixty (60) days written notice to Provider. Sandhills Center may negotiate contract terms that provide for mutual consent to an amendment, a process for reaching mutual consent, or alternative notice contacts.

8.4. This Agreement, consisting of the Provider Agreement for Services and all Appendices, Attachments, Amendments and Exhibits, constitutes the entire Agreement between Sandhills Center and the Provider for the provision of services to Member(s) and State-Funded Consumers. Except for changes to Controlling Authority published by the Centers for Medicare and Medicaid Services, the State, the Department, DHB, DMH and/or its fiscal agent, any alternations, amendments or modifications in the provision of this Agreement shall be in writing, signed by all parties and attached hereto.

8.5. Notwithstanding anything in this Agreement to the contrary, the term of this Agreement shall not exceed the term of Sandhills Center's State Contract for the BH I/DD Tailored Plan Contract.

8.6. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, are governed by the laws of North Carolina. The place of this Agreement and all transactions and agreements relating to it, and their sites and forum, shall be Moore County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation and enforcement shall be determined.

8.7. The paragraph headings used herein are for reference and convenience only and shall not enter into the interpretation hereof. Any appendices, exhibits, schedules or amendments referred to herein or attached or to be attached hereto are incorporated herein to the same extent as if set for fully herein.

8.8. The Agreement may be executed in two counterparts, each of which will be deemed an original.

8.9. No covenant, condition or undertaking contained in this Agreement may be waived except by the written agreement of the Parties. Forbearance or indulgence in any other form by either party in regard to any covenant, condition or undertaking to be kept or performed by the other party shall not constitute a waiver thereof, and until complete satisfaction or performance of all such covenants, conditions, and undertakings have been satisfied, the other party shall be entitled to invoke any remedy available under the Contract, despite any such forbearance or indulgence.

8.10. If any one or more provisions of this Agreement are declared invalid or unenforceable, the same shall not affect the validity or enforceability of any other provisions of this Agreement and such invalid or unenforceable provision(s) shall be limited or curtailed only to the extent necessary to make such provision and enforceable.

8.11. Any notice to be given under this Agreement will be in writing, addressed to the Contract Administrators designated by each party and noted at the address listed below, or such other address as the party may designate by notice to the other party,

To Provider:

Attention:
Address:
City:
State, Zip:
Phone:
Fax:
Email:

To Sandhills Center:

Attention: Provider Network Director
P.O. Box 9
West End, NC 27376 910-673-7013 (facsimile)
KarenK@sandhillscenter.org

8.12. Sandhills Center has the right to enter into other Agreements with any other provider of health care services. The Provider shall have the right to enter into other Agreements with any other third party payors to provide services. Both parties shall ensure that any subcontractors performing any of the obligations under this Agreement shall meet all the requirements of the Agreement. When a subcontractor meets the URAC definition of a delegated or partially delegated entity, prior approval by Sandhills Center may be required.

8.13. Nothing contained in this Agreement shall be construed as creating or justifying any liability, claim or cause of action, however alleged or arising, by any third party, against Sandhills Center, Provider or the Department.

8.14. Both parties agree that there shall be no discrimination in the performance of this Agreement against any patient or other person as a the result of that individual's race, color, religion, gender, sexual orientation, handicap, age, national origin, source of payment, or any other basis prohibited by law.

8.15. Provider shall comply with (i) Title VI of the Civil Rights Act of 1964 and the rules, regulations, and order; (ii) the Rehabilitation Act of 1973 and the rules, regulations, and orders thereunder; (iii) the Americans With Disabilities Act of 1990 and the rules, regulations and orders

thereunder; and (iv) any and all applicable laws, rules and regulations prohibiting discriminatory practices. Furthermore, in accordance with Title VI of the Civil Rights Act of 1964 and the rules, regulations and orders thereunder, Provider shall take adequate steps to ensure that Members with limited English skills receive free of charge the language assistance necessary to afford them meaningful and equal access ot the benefits and services provided under this Agreement (see 42 U.S.C. 2000d, *et. seq.* and 45 CFR Part 80, 2001 as amended).

8.16. No covered services under this Agreement may be performed outside of the United States without Sandhills Center's prior written consent. In addition, Provider will not hire any individual to perform any services under this Agreement if that individual is required to have a work visa approved by the U.S. Department of Homeland Security and such individual has not met this requirement.

9. ADVANCED MEDICAL HOME (If Applicable)

REMAINDER OF THE PAGE BLANK

REQUIRED APPENDICES/ATTACHMENTS:

☒	**Appendix A**	**Certification Regarding Environmental Tobacco Smoke**
☒	**Appendix B**	**Certification Regarding Lobbying**
☒	**Appendix C**	**Certification Regarding Drug-Free Workplace Requirements**
☒	**Appendix D**	**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions**
☒	**Appendix F**	**Mixed Services Payment Protocol (HOSPITALS ONLY)**
☐		**Business Associate Addendum**
☒	**Attachment 1**	**Medicaid Services, Codes**
☐	**Attachment A**	**State Services, Codes**
☐	**Attachment B**	**B3 Non-Innovation Services, Codes**

REMAINDER OF PAGE BLANK

Signature Page Between:

SANDHILLS CENTER

and

IN WITNESS WHEREOF:

IN WITNESS WHEREOF, each party has caused this agreement to be executed in multiple copies, each of which shall be deemed an original, as the act of said party. Each individual signing below certifies that he or she has been granted the authority to bind Provider to the terms of this Contract and any Addendums or Attachments thereto.

SANDHILLS CENTER

_____ _____

Legally Authorized Representative Date
Victoria Whitt
Chief Executive Officer

_____ _____

Legally Authorized Representative Date
Name:
Title:

Address: ,
Telephone:
Contact:
TIN:

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____ _____

Sandhills Center Date
Legally Authorized Representative
Kelly Paterson
Finance Director
Approved by Sandhills Center Board *6/14/2022)*

FEDERAL ASSURANCES
CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE
Appendix A

Certification for Contracts, Grants, Loans and Cooperative Agreements

Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 per day and/or the imposition of an administrative compliance order on the responsible entity.

By signing and submitting this application, the Provider certifies that it will comply with the requirements of the Act. The Provider further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for children's services and that all sub-grantees shall certify accordingly.

Provider Agency

_____

_____
Date

FEDERAL ASSURANCES
Certification Regarding Lobbying
Appendix B

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or employee of Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," In accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Provider Agency

_____

_____
Date

FEDERAL ASSURANCES
CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
Appendix C

We certify our Agency will comply with the Drug Free Workplace Act of 1988 as follows:

A. **Definitions**. As used in this provision,

Controlled substance means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 DFR 1308.1-1308.15.

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

Criminal Drug Statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

Drug-Free Workplace means a site for the performance of work done in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

Employee means an employee of a contractor directly engaged in the performance of work under a Government contract.

Individual means an offeror/contractor that has not more than one employee including the offeror/contractor.

B. By submission of its offer, the offeror, if other than in individual, who is making an offer that equals or exceeds $25,000, certifies, and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation it will:

1. Publish a statement notifying such employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Establish a drug-free awareness program to inform such employees about:
   - The dangers of drug abuse in the workplace.
   - The Contractor's policy of maintaining a drug-free workplace
   - Any available drug counseling, rehabilitation, and employee assistance programs.
   - The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph B-1 of this provision.
4. Notify such employees in the statement required by subparagraph B-1 of this provision, that as a condition of continued employment on the contract resulting from this solicitation, the employee will:
   - Abide by the terms of the statement; and
   - Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.

5. Notify the contracting officer within ten (10) days after receiving notice under Subdivision 8-4 of this provision, from an employee or otherwise receiving actual notice of such conviction; and
6. Within 30 days after receiving notice under subparagraph B-4 of this provision of or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace:
   - Take appropriate personnel action against such employee, up to and including termination;

   Or
   - Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency.
7. Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs B-1 through B-6 of this provision.

C. By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.

D. Failure of the offeror to provide the certification required by paragraph B or C of this provision, renders the offeror unqualified and ineligible for award. (See FAR 9.104-1 (g) and 19.602-1 (a) (2) (i).

E. In addition to other remedies available to the Government, the certification in paragraphs B and C or this provision concerns a matte within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

F. Further, false certification or violation of the certification shall be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment (Section 4 CFR Part 85, Section 85.615 and 86.620).

Provider Agency

_____

_____
Date

FEDERAL ASSURANCES
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS
Appendix D

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant will provide immediate written notice to the person to which the proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency of which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non procurement List.

8. Nothing contained in the foregoing shall be construed to required establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies

available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Provider Agency

_____

_____
Date

APPENDIX F[1]
Mixed Services Payment Protocol

Services	Claim Processing and/or Financial Liability
Inpatient Charges for Psychiatric and Substance Abuse Diagnostic Related Groupings (DRG range 876 - 897)	**PIHP**
Outpatient X-ray and Lab Work	
• Prescribed by a PIHP network provider on an Inpatient basis such as: VDRL, SMA, CBC, UA (urinalysis), Cortisol, x-rays for admission physicals, therapeutic drug levels. • Prescribed by PIHP network provider on an outpatient basis such as therapeutic drug levels. • Ordered for evaluation of medical problems or to establish organic pathology, cat scans thyroid studies, EKG etc. or any tests ordered prior to having a patient medically cleared. • Other tests ordered by non-PIHP physician	**Bill direct to NC DMA / Medicaid** **EXCEPTION**: Bill PIHP for Eligible Recipient's services provided during Emergency Department visit for treatment is where Primary Diagnosis is within the **Designated Behavioral Health Range***
Drugs	
• Outpatient prescription drugs and take-home drugs	**Bill direct to NC DMA / Medicaid**
Ambulance	
• Transport to the hospital when the primary diagnosis is behavioral care • Transport to a hospital prior to a medical emergency when the primary diagnosis is medical	**Bill direct to NC DMA / Medicaid**
• Transfers authorized by PIHP from non-network facility to a network facility	**PIHP**
Consults	
• Mental Health or Alcohol/Substance Abuse on Medical Surgical Unit • Mental Health or Alcohol/Substance Abuse in a Nursing Home or Assisted Living Facility	**PIHP**
• Medical/Surgical on Mental Health/Substance Abuse Unit	**Bill direct to NC DMA / Medicaid**
Emergency Room Charges – Professional Services	
• Emergency Department services for treatment where Primary Diagnosis is within the **Designated Behavioral Health Range*** • Emergency Mental Health, Alcohol/Substance Abuse services provided by MH/SA practitioners	**LME/MCO**
• Emergency room services where the Primary Diagnosis is **NOT** within the **Designated Behavioral Health Range**	**Bill direct to NC DMA / Medicaid**
***Designated Behavioral Health Primary Diagnosis Code Ranges: 290 - 319** (ICD 9) or **F01 - F99** (ICD-10)	

[1] Updated document, August 29, 2016.

Services	Claim Processing and/or Financial Liability
Emergency Room Facility Charge.	
• Emergency Department services for treatment where Primary Diagnosis is within the **Designated Behavioral Health Range***	**LME/MCO**
• Emergency room services where the Primary Diagnosis is **NOT** within the **Designated Behavioral Health Range***	**Bill direct to NC DMA / Medicaid**
Medical/Neurological/Organic Issues	
• Stabilization of self-induced trauma poisoning • Treatment of disorders which are primarily neurologically/organically based, including delirium, dementia, amnesic and other cognitive disorders	**Bill direct to NC DMA / Medicaid** **EXCEPTION**: Bill PIHP for Eligible Recipient's services provided during Emergency Department visit for treatment is where Primary Diagnosis is within the **Designated Behavioral Health Range***
Alcohol Withdrawal Syndrome and Delirium Tremens	
• Alcohol withdrawal syndrome. Ordinary Pharmacologic syndrome characterized by elevated vital signs, agitation, perspiration, anxiety and tremor that is associated with the abrupt cessation of alcohol or other addictive substances. • Detoxification services authorized by PIHP.	**PIHP**
• Delirium Tremens (DTs), Complication of chronic alcoholism associated with poor nutritional status This is characterized by a major physiologic and metabolic disruption and is accompanied by delirium (after persecutory hallucination),agitation, tremors (frequently seizures) high temperatures and may be life-threatening.	**Bill direct to NC DMA / Medicaid** **EXCEPTION**: Bill PIHP for Eligible Recipient's services provided during Emergency Department visit for treatment is where Primary Diagnosis is within the **Designated Behavioral Health Range***
Miscellaneous	
• Pre-Authorized, Mental Health, Alcohol/ Substance Abuse admission, History and Physical • Adjunctive alcohol/substance abuse therapies when specifically ordered by a network or PIHP authorized physician	**PIHP**

*** Designated Behavioral Health Primary Diagnosis Code Ranges: 290 - 319** (ICD 9) or **F01 - F99** (ICD-10)