Revision 2000-09-02

KC-360-22-C

UEI: LD6MNJ62JQD1

FAIN: N/A ALN: N/A

# CONTRACT AMENDMENT

This CONTRACT AMENDMENT is made and entered into between SALISH BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION, through Kitsap County, as its administrative entity, a political subdivision of the State of Washington, with its principal offices at 614 Division Street, Port Orchard, Washington 98366, hereinafter "SBHASO", and Peninsula Behavioral Health, hereinafter "CONTRACTOR."

In consideration of the mutual benefits and covenants contained herein, the parties agree that their Contract, numbered as Kitsap County Contract No. KC-360-22, and executed on August 8<sup>th</sup>, 2022 and amended on July24th, 2023 (A), November 25<sup>th</sup>, 2024 and shall be amended as follows:

1. Page 1: Contract Term is amended as follows:

July 1, 2022 – December 31st, 2025.

Page 1: Amount is amended as follows:
 Increased by \$217,500 from \$1,247,418 to \$1,464,918.

- 3. **General Agreement: General Terms** are deleted entirely and replaced as attached.
- 4. Attachment A: Special Terms are deleted entirely and replaced as attached.
- Attachment B: Statement of Work is deleted entirely and replaced as attached.
- 6. Attachment C: Budget is deleted entirely and replaced as attached.

Revision 2000-09-02

KC-360-22-C

UEI: LD6MNJ62JQD1

FAIN: N/A ALN: N/A

7. If this Contract Amendment extends the expiration date of the Contract, then the Contractor shall provide an updated certificate of insurance evidencing that any required insurance coverages are in effect through the new contract expiration date. The Contractor shall submit the certificate of insurance to:

Program Lead, Salish Behavioral Health Administrative Services Organization Kitsap County Department of Human Services 614 Division Street, MS-23 Port Orchard, WA 98366

Upon receipt, the Human Services Department will ensure the submission of all insurance documentation to the Risk Management Division, Kitsap County Department of Administrative Services.

8. Except as expressly provided in this Contract Amendment, all other terms and conditions of the original Contract, and any subsequent amendments, addenda or modifications thereto, remain in full force and effect.

Revision 2000-09-02

KC-360-22-C

UEI: LD6MNJ62JQD1

FAIN: N/A ALN: N/A

This amendment shall be effective July 1, 2025

SALISH BEHAVIORAL HEALTH
ADMINISTRATIVE SERVICES
ORGANIZATION, By
KITSAP COUNTY BOARD OF

COMMISSIONERS, Its Administrative

Entity

Christine Rolfes, Chair

Oran Root, Commissioner

Katherine T. Walters, Commissioner

DATE Aug. 11, 2025

Dana Daniels, Glerk of the Board

CONTRACTOR:

Peninsula Behavioral Health

Name:

Wendy Sisk

Title:

Chief Executive Officer

I attest that I have the authority to sign this contract on behalf of Peninsula Behavioral Health.

DATE



#### **GENERAL AGREEMENT**

#### **SECTION 1. CONTRACTOR REQUIREMENTS**

Contractor agrees to perform the services as set forth in the Statement of Work Attachment B, as attached herein.

# 1.1 *Authority*

- 1.1.1 Contractor possesses legal authority to apply for the funds covered under this contract.
- 1.1.2 No subcontract shall terminate the Contractor's legal responsibility to SBHASO for any work performed under this Contract nor for oversight of any functions or responsibilities it delegates to any Subcontractor.

# 1.2 <u>Assignment/ Subcontract</u>

- 1.2.1 Contractor shall not assign its rights and/or duties under this contract without the prior written consent of the SBHASO.
- 1.2.2 Contractor shall obtain written approval for assignment from the Contract Administrator prior to entering into any subcontract for the performance of any services contemplated by this contract; provided, however, that approval shall not be unreasonably withheld.
  - 1.2.2.1 In the event that the Contractor enters into any subcontract agreement funded with money from this contract, the Contractor is responsible for subcontractor:
    - 1.2.2.1.1 Compliance with applicable terms and conditions of this contract;
    - 1.2.2.1.2 Compliance with all applicable law; and.
    - 1.2.2.1.3 Provision of insurance coverage for its activities

## 1.3 Limitations on Payments

- 1.3.1 Contractor shall pay no wages in excess of the usual and accustomed wages for personnel of similar background, qualifications and experience.
- 1.3.2 Contractor shall pay no more than reasonable market value for equipment and/or supplies.
- 1.3.3 Any cost incurred by Contractor over and above the year-end sums set out in the budgets shall be at Contractor's sole risk and expense.

## 1.4 Compliance with Laws

- 1.4.1 Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (ADA) and all regulations interpreting or enforcing such act. The Contractor shall make reasonable accommodation for Individuals with disabilities, in accord with the ADA, for all Contracted Services and shall assure physical and communication barriers shall not inhibit individuals with disabilities from obtaining Contracted Services.
- 1.4.2. Contractor shall comply with all applicable federal, state, and local statutes, regulations, rules, ordinances, and all amendments thereto, that are in effect when the Contract is signed or that come into effect during the term of this Contract. The provisions of this Contract that are in conflict with applicable state or federal laws or Regulations are hereby amended to conform to the minimum requirements of such laws or Regulations. Applicable laws and regulations include, but are not limited to:
  - 1.4.2.1 Title XIX and Title XXI of the Social Security Act.
  - 1.4.2.2 Title VI of the Civil Rights Act of 1964.
  - 1.4.2.3 Title IX of the Education Amendments of 1972, regarding any education programs and activities.
  - 1.4.2.4 The Age Discrimination Act of 1975.
  - 1.4.2.5 The Rehabilitation Act of 1973.
  - 1.4.2.6 The Budget Deficit Reduction Act of 2005.
  - 1.4.2.7 The Washington Medicaid False Claims Act and the Federal False Claims Act (FCA).
  - 1.4.2.8 The Health Insurance Portability and Accountability Act (HIPPA).
  - 1.4.2.9 The American Recovery and Investment Act (ARRA).
  - 1.4.2.10 The Patient Protection and Affordable Care Act (PPACA or ACA).
  - 1.4.2.11 The Health Care and Education Reconciliation Act.
  - 1.4.2.12 The Mental Health Parity and Addiction Equity Act (MHPAEA) and final rule.
  - 1.4.2.13 21 C.F.R. Food and Drugs, Chapter 1 Subchapter C Drugs General.
  - 1.4.2.14 42 C.F.R. Subchapter A, Part 2- Confidentiality of Alcohol and Drug Abuse Patient Records.
  - 1.4.2.15 42 C.F.R. Subchapter A, Part 8 Certification of Opioid Treatment Programs.
  - 1.4.2.16 45 C.F.R. Part 96 Block Grants.
  - 1.4.2.17 45 C.F.R § 96.126 Capacity of Treatment for Intravenous Substance Abusers who Receive Services under Block Grant funding.
  - 1.4.2.18 Chapter 70.02 RCW Medical Records Health Care Information Access and Disclosure.

1.4.2.19	Chapter 71.05 RCW Mental Illness.
1.4.2.20	Chapter 71.24 RCW Community Mental Health Services Act.
1.4.2.21	Chapter 71.34 RCW Mental Health Services for Minors.
1.4.2.22	Chapter 246-341 WAC.
1.4.2.23	Chapter 43.20A RCW Department of Social and Health
	Services.
1.4.2.24	Senate Bill 6312 (Chapter 225. Laws of 2014) State
	Purchasing of Mental Health and Chemical Dependency
	Treatment Services.
1.4.2.25	All federal and State professional and facility licensing and
1.1.2.20	accreditation requirements/standards that apply to services
	performed under the terms of this Contract, including but not
	limited to:
	1.4.2.25.1All applicable standards, orders, or requirements
	issued under Section 508 of the Clean Water Act
	(33 U.S.C. § 1368), Section 306 of the Clean Air
	Act (42 U.S.C. § 7606, Executive Order 11738,
	and Environmental Protection Agency (EPA)
	Regulations (40 C.F.R. Part 15), which prohibit the
	use of facilities included on the EPA List of
	Violating Facilities. Any violations shall be reported
	to HCA, DHHS, and the EPA.
	1.4.2.25.2Any applicable mandatory standards and policies
	relating to energy efficiency that are contained in
	the State Energy Conservation Plan, issued in
	compliance with the Federal Energy Policy and
	Conservation Act.
	1.4.2.25.3Those specified for laboratory services in the
	Clinical Laboratory Improvement Amendments
	(CLIA).
	1.4.2.25.4Those specified in Title 18 RCW for professional
	licensing.
	noononig.
1.4.2.26	Industrial Insurance – Title 51 RCW
1.4.2.27	Reporting of abuse as required by RCW 26.44.030.
1.4.2.28	Federal Drug and Alcohol Confidentiality Laws in 42 C.F.R.
	Part 2.
1.4.2.29	Equal Employment Opportunity (EEO) Provisions
1.4.2.30	Copeland Anti-Kickback Act.
1.4.2.31	Davis-Bacon Act.
1.4.2.32	Byrd Anti-Lobbying Amendment.
1.4.2.33	All federal and state nondiscrimination laws and Regulations.
1.4.2.34	Any other requirements associated with the receipt of federal
·	funds.
1.4.2.35	Any services provided to an individual enrolled in Medicaid
are su	ıbject to applicable Medicaid rules.

- 1.4.3 Contractor shall comply with SBHASO policies, procedures, and practices.
- 1.4.4 Contractor will not discriminate against any employee or applicant for employment because of race, color, creed, marital status, religion, sex, sexual orientation, national origin, Vietnam era or disabled veteran's status, age, the presence of any sensory, mental or physical disability; provided, that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the individual from performing the essential functions of his or her employment position, even with reasonable accommodation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-off or termination, rates of pay or other forms of compensations, and selection for training, including apprenticeship.
- 1.4.5 Contractor shall follow definitions outlined in WAC 182-500-0070 as applicable to terms within this Contract including but not limited to:
  - Medically necessary means a term for describing a requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate, or prevent worsening of conditions in the Individual that endanger life, cause suffering or pain, result in an illness or infirmity, threaten to cause, or aggravate a handicap, or cause physical deformity or malfunction. There is no other equally effective, more conservative, or substantially less costly course of treatment available or suitable for the Individual requesting the service. "Course of treatment" may include mere observation or, where appropriate, no treatment at all.

## 1.5 Indemnification

1.4.5.1

To the fullest extent permitted by law, Contractor shall indemnify, defend and hold harmless the Salish Behavioral Health Administrative Services Organization, Kitsap County, Jefferson County, and Clallam County, and the elected and appointed officials, officers, employees and agents of each of them, from and against all claims resulting from or arising out of the performance of this contract, whether such claims arise from the acts, errors or omissions of Contractor, its subcontractors, third parties, the Salish Behavioral Health Administrative Services Organization, Kitsap County, Jefferson County or Clallam County, or anyone directly or indirectly employed by any of them or anyone for whose acts, errors or omissions any of them may be liable. "Claim" means any loss, claim, suit, action, liability, damage or expense of any kind or nature whatsoever, including but not limited to attorneys' fees and costs, attributable to personal or

bodily injury, sickness, disease or death, or to injury to or destruction of property, including the loss of use resulting therefrom. Contractor's duty to indemnify, defend and hold harmless includes but is not limited to claims by Contractor's or any subcontractor's officers, employees or agents. Contractor's duty, however, does not extend to claims arising from the sole negligence or willful misconduct of the Salish Behavioral Health Administrative Services Organization, Kitsap County, Jefferson County or Clallam County, or the elected and appointed officials, officers, employees and agents of any of them. For the purposes of this indemnification provision, Contractor expressly waives its immunity under Title 51 of the Revised Code of Washington and acknowledges that this waiver was mutually negotiated by the parties. This provision shall survive the expiration or termination of this contract.

## 1.6 Insurance

1.6.1 For the duration of the contract and until all work specified in the contract is completed, Contractor shall maintain in effect all insurance as required herein. Work under this contract shall not commence until evidence of all required insurance and bonding is provided to the SBHASO. Evidence of such insurance shall consist of a completed copy of the Certificate of Insurance, signed by the insurance agent for the Contractor and returned to

Program Lead, Salish Behavioral Health Administrative Services Organization Kitsap County Department of Human Services 614 Division Street, MS-23 Port Orchard, WA 98366.

- 1.6.2 The Contractor's insurer shall have a minimum A.M. Best's Rating of A-VII.
- 1.6.3 Coverage shall include the following terms and conditions:
  - 1.6.3.1 The policy shall be endorsed and certificate shall reflect that the SBHASO and Clallam, Jefferson and Kitsap Counties are named as an additional insureds on the Contractor's General Liability Policy with respect to the activities under this Contract.
  - 1.6.3.2 The policy shall provide and the certificate shall reflect that the insurance afforded applies separately to each insured against which a claim is made or a suit is brought except with respect to the limits of the Contractor's liability.
  - 1.6.3.3 The policy shall be endorsed and the certificate shall reflect that the insurance afforded therein shall be primary

insurance and any insurance or self-insurance carried by Kitsap County on behalf of the SBHASO shall be excess and not contributory insurance to that provided by the Contractor.

- 1.6.3.4 If for any reason, any material change occurs in the coverage during the course of this contract, such changes shall not become effective until forty-five (45) days after Kitsap County Risk Management has received written notice of changes.
- 1.6.3.5 SBHASO and Clallam, Jefferson and Kitsap Counties have no obligation to report occurrences unless a claim is filed with the SBHASO; and SBHASO or Clallam, Jefferson or Kitsap Counties have no obligation to pay premiums.
- 1.6.4 The Contractor shall insure that every officer, director, or employee who is authorized to act on behalf of the Contractor for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks or other instruments of payment for program costs shall be bonded to provide protection against loss.
  - 1.6.4.1 Fidelity bonding secured pursuant to this contract must have coverage of \$100,000 or the highest planned advance or reimbursement for the program year, whichever is greater.
  - 1.6.4.2 If requested, the Contractor will provide a copy of the bonding instrument or a certification of the same from the bond issuing agency.
- 1.6.5 Workers' Compensation and Employer Liability. The Contractor will maintain workers' compensation insurance as required by Title 51, Revised Code of Washington, and will provide evidence of coverage to the Kitsap County Risk Management Division. If the contract is for over \$50,000, then the Contractor will also maintain employer liability coverage with a limit of not less than \$1 million.
- 1.6.6 The Contractor shall have insurance coverage and limits as follows:
  - 1.6.6.1 <u>Comprehensive Liability</u>

Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance with limits of not less than:

#### COVERAGE

#### LIMITS OF LIABILITY

## **Comprehensive General Liability Insurance**

a. Bodily Injury Liability

\$1,000,000 each

occurrence

b. Property Damage Liability

\$1,000,000 each

occurrence

OR

c. Combined Bodily Injury/Property

\$2,000,000 aggregate

Damage Liability

# **Comprehensive Automobile Liability Insurance**

a. Bodily Injury Liability

\$1,000,000 each

person

\$1,000,000 each

occurrence

b. Property Damage Liability

\$1,000,000 each

occurrence

OR

c. Combined Single Limit Coverage of \$2,000,000

1.6.6.2 <u>Professional Liability Insurance</u> with limits of not less than:

Professional Liability Insurance \$1,000,000 each occurrence

# 1.7 Conflict of Interest

Contractor agrees to avoid organizational conflict of interest and the Contractor's employees will avoid personal conflict of interest and the appearance of conflict of interest in disbursing contract funds for any purpose and in the conduct of procurement activities.

## 1.8 Documentation

- 1.8.1 Contractor shall maintain readily accessible records and documents sufficient to provide an audit trail needed by the SBHASO to identify the receipt and expenditure of funds under this contract, and to keep on record all source documents such as time and payroll records, mileage reports, supplies and material receipts, purchased equipment receipts, and other receipts for goods and services.
- 1.8.2 The Contractor is required to maintain property record cards and property identification tabs as may be directed by SBHASO codes and changes thereto. This applies only to property purchased from funds under this contract specifically designated for such purchases. Ownership of

- equipment purchased with funds under this contract so designated for purchase shall rest in the SBHASO and such equipment shall be so identified.
- 1.8.3 The Contractor shall provide a detailed record of all sources of income for any programs it operates pursuant to this contract, including state grants, fees, donations, federal funds and others for funds outlined in appropriate addenda. Expenditure of all funds payable under this contract must be in accordance with the approved Statement of Work.
- 1.8.4 The SBHASO shall have the right to review the financial and service components of the program as established by the Contractor by whatever means are deemed expedient by the SBHASO, or their respective delegates. Such review may include, but is not limited to, with reasonable notice, on-site inspection by SBHASO agents or employees, inspection of all records or other materials which the SBHASO deems pertinent to this contract and its performance, except those deemed confidential by law.
- 1.8.5 All property and patent rights, including publication rights, and other documentation, including machine-readable media, produced by the Contractor in connection with the work provided for under this contract shall vest in the SBHASO. The Contractor shall not publish any of the results of this contract work without the advance written permission of the SBHASO. Such material will be delivered to the SBHASO upon request.

### SECTION 2. RELATIONSHIP OF THE PARTIES

- 2.1 The parties intend that an independent contractor relationship will be created by this contract, and the conduct and control of the services will lie solely with the Contractor. No official, officer, agent, employee, or servant of the Contractor shall be, or deemed to be, an official, officer, employee, servant, or otherwise of the SBHASO for any purpose; and the employees of the Contractor are not entitled to any of the benefits the SBHASO provides for SBHASO employees. It is understood that the SBHASO does not agree to use Contractor exclusively. Contractor will be solely and entirely responsible for its acts and for the acts of its officials, officers, agents, employees, servants, subcontractors, or otherwise during the performance of this agreement.
- 2.2 In the performance of the services herein contemplated, Contractor is an independent contractor with the authority to control and direct the performance of the details of the work, SBHASO being interested only in the results obtained. However, the work contemplated herein must meet the approval of the SBHASO and shall be subject to SBHASO's general right of inspection and supervision to secure the satisfactory completion

thereof.

2.3 In the event that any of the Contractor's officials, officers, employees, agents, servants or otherwise, carry on activities or conduct themselves in any manner which may either jeopardize the funding of this agreement or indicate said officials, officers, employees, agents or servants are unfit to provide those services as set forth within, the Contractor shall be responsible for taking adequate measures to prevent said official, officer, employee, agent or servant from performing or providing any of the services as called for within.

#### **SECTION 3. MODIFICATION**

3.1 No change, addition or erasure of any portion of this agreement shall be valid or binding upon either party. There shall be no modification of this agreement, except in writing, executed with the same formalities as this present instrument. Either party may request that the contract terms be renegotiated when circumstances, which were neither foreseen nor reasonably foreseeable by the parties at the time of contracting, arise during the period of performance of this contract. Such circumstances must have a substantial and material impact upon the performance projected under this contract and must be outside of the control of either party.

#### **SECTION 4. TERMINATION**

## 4.1 Failure to Perform

This contract may be terminated, in whole, or in part, without limiting remedies, by either party to this contract if the other party materially fails to perform in accordance with the terms of this contract. In this event, the aggrieved party shall deliver ten (10) working days advance written notification to the other party specifying the performance failure and the intent to terminate.

## 4.2 Without Cause

Either party to this contract may elect to terminate this contract without cause by delivering a ninety (90) day written notice of intent to terminate to the other party.

## 4.3 Funding

The SBHASO may unilaterally terminate or negotiate modification of this contract at any time if its federal, or state grants are suspended, reduced, or terminated before or during this contract period, or if federal or state grant terms and regulations change significantly.

#### KC-360-22-C

In the event of early contract termination initiated by either party for whatever reason, the Contractor is only entitled to costs incurred prior to the time of contract termination.

#### SECTION 5. LEGAL REMEDIES

Nothing in this contract shall be construed to limit either party's legal remedies including, but not limited to, the right to sue for damages or specific performance should either party materially violate any of the terms of this contract. Failure to act on any default shall not constitute waiver of rights on such default or on any subsequent default.

#### SECTION 6. VENUE AND CHOICE OF LAW

6.1 Any action at law, suit in equity, or other judicial proceeding for the enforcement of this contract or any provision thereof shall be instituted only in the courts of the State of Washington, County of Kitsap. It is mutually understood and agreed that this contract shall be governed by the laws of the State of Washington, both as to its interpretation and performance.

#### **SECTION 7. WAIVER**

7.1 No official, officer, employee, or agent of SBHASO has the power, right, or authority to waive any of the conditions or provisions of this contract. No waiver of any breach of this agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this agreement or at law shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law. The failure of the SBHASO to enforce at any time any of the provisions of this contract, or to require at any time performance by Contractor of any provisions hereof, shall in no way be construed to be a waiver of such provisions, or in any way affect the validity of this contract or any part, hereof, or the right of SBHASO to thereafter enforce each and every provision.

#### **SECTION 8. NOTICES**

8.1 All notices called for or provided for in this contract shall be in writing and must be served on the party either personally or by certified mail and shall be deemed served when deposited in the United States mail. Such notice shall be made to:

Wendy Sisk Peninsula Behavioral Health 118 E 8<sup>th</sup> St Jolene Kron, Administrator Kitsap County Human Services 614 Division St., MS-23 Port Angeles, WA 98362

Port Orchard, WA 98366-4676

#### **SECTION 9. PAYMENTS**

- 9.1 All payments to be made by Kitsap County, on behalf of the SBHASO, under this agreement shall be made to: Peninsula Behavioral Health, City of Port Angeles, State of Washington.
- 9.2 This contract shall not exceed the amount set forth in the contract compensation/rate sheet, Attachment C. Contractor agrees to participate in and be bound by determinations arising out of the SBHASO's disallowed cost resolution process.

#### **SECTION 10. DURATION**

10.1 The Contractor is authorized to commence July 1, 2022 providing services pursuant to this contract. This agreement shall terminate on December 31, 2025, unless terminated sooner as provided herein.

#### **SECTION 11. WHOLE AGREEMENT**

11.1 This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein; and this contract shall supersede all previous communications, representations, or agreements, either verbal or written, between parties.

#### **SECTION 12. SEVERABILITY**

12.1 It is understood and agreed by the parties that if any part, term, or provision of this contract is held by the courts to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this contract did not contain the particular part, term, or provision held to be invalid.

## **SECTION 13. ATTACHMENTS.**

13.1 The parties acknowledge that the following attachments, which are attached to this Contract, are expressly incorporated by this reference:

Attachment A – Special Terms and Conditions Attachment B – Statement of Work

#### KC-360-22-C

Attachment C – Budget/Rate Sheet

Attachment D – Business Associate Agreement

Attachment E – Data Security and Confidentiality

Attachment F – Certification Regarding Lobbying

Attachment G – Debarment Certification

13.2 The rights and obligations of the parties shall be subject to, and governed by, the terms and conditions contained herein and by the Statement of Work, General Agreement, Special Terms and Conditions, Business Associate Agreement and the Budget. In the event of any inconsistency in this notification of contract, including the items incorporated herein by reference, the inconsistency shall be resolved by giving precedence in the following order: (1) General Agreement; (2) Special Terms and Conditions; (3) Statement of Work; (4) Budget/Rate Sheet.

#### ATTACHMENT A: SPECIAL TERMS AND CONDITIONS

#### PROGRAM REQUIREMENTS

## 1. General

- 1.1 Contractor shall adhere to established SBHASO protocols for determining eligibility for services consistent with this contract.
- 1.2 Contractor shall participate in training when requested by SBHASO on behalf of the HCA. Exceptions must be in writing and include a plan for how the required information shall be provided to them.
- 1.3 Contractor shall not differentiate or discriminate in providing services to clients because of race, color, religion, national origin, ancestry, age, marital status, gender identity, sexual orientation, physical, sensory or mental handicap, socioeconomic status, or participation in publicly financed programs of health care services, or any other basis prohibited by law. Contractor shall render services to clients in the same location, in the same manner, in accordance with the same standards, and within the same time availability regardless of payor.
- 1.4 Contract shall provide Individuals with access to translated information and interpreter services as described in the Materials and Information Section of this Contract.
- 1.5 Contractor agrees to comply with the appointment wait time standards of this Contract. SBHASO shall monitor for timely access and require corrective action if Contractor fails to comply with appointment wait time standards.
- 1.6 Contractor shall respond in a full and timely manner to law enforcement inquiries regarding an individual's eligibility to possess a firearm under RCW 9.41.040(2)(C)(iv).
  - 1.6.1 Contractor shall report new commitment data within twenty-four (24) hours.

## 2. Materials and Information Requirements

- 2.1 Media Materials and Publications
  - 2.1.1 Media materials and publications developed with state funds shall be submitted to the SBHASO for written approval prior to publication. HCA must be cited as the funding source in

news releases, publications, and advertising messages created with or about HCA funding. The funding source shall be cited as: The Washington State Health Care Authority. The HCA logo may also be used in place of the above citation.

- 2.1.2 Materials described in subsection 2.1.1 but not paid for by funds provided under this Contract must be submitted to SBHASO for prior approval.
- 2.1.3 The Contractor is encouraged to submit the following items to SBHASO for approval:
  - 2.1.3.1 News coverage resulting from interviews with reporters including online news coverage;
  - 2.1.3.2 Pre-scheduled posts on electronic / social media sites;
  - 2.1.3.3 When a statewide media message developed by HCA is localized; and
  - 2.1.3.4 When SAMHSA-sponsored media campaign are localized
- 2.2 Information Requirements for Individuals
  - 2.2.1 Upon an Individual's request, the Contractor shall provide all relevant licensure, certification and accreditation status and information.
- 2.3 Equal Access for Individuals with Communication Barriers
  - 2.3.1 The Contractor shall assure equal access for all Individuals when oral or written language creates a barrier to such access.
    - 2.3.1.1 Oral information
      - 2.3.1.1.1 Contractor shall assure interpreter services are provided free of charge for Individuals with a preferred language other than English. This includes the provision of interpreters for Individuals who are Deaf, DeafBlind, or Hard of Hearing. This includes oral interpretation Sign Language (SL), and the use of Auxiliary Aids and Services as defined in the Contract (42 C.F.R §438.10(d)(4)). Interpreter services shall

be provided for all interactions between such Individuals and the Contractor including, but not limited to:

- 2.3.1.1.1.1 Customer Service
- 2.3.1.1.1.2 All appointments for any covered service; and
- 2.3.1.1.3 All steps necessary to file Grievances and Appeals.

#### 2.3.1.2 Written information

- 2.3.1.2.1 Contractor shall provide all generally available and Individual specific written materials in a language and format which may be understood by each Individual in each of the prevalent languages that are spoken by 5 percent or more of the population.
  - 2.3.1.2.1.1 For individuals whose preferred language has not been translated as required in this Section, the Contractor may meet the requirement of this Section by doing any one of the following:
    - 2.3.1.2.1.1.1 Translating the material into the Individual's preferred reading language;
    - 2.3.1.2.1.1.2 Providing the material in an audio format in the Individual's preferred language;
    - 2.3.1.2.1.1.3 Having an interpreter read the material to the Individual in the Individual's preferred language;
    - 2.3.1.2.1.1.4 Providing the material in another alternative medium or format acceptable to the Individual. The Contactor shall document the Individual's acceptance of the material in an alternative medium or format; or
    - 2.3.1.2.1.1.5 Providing the material in English, if

the Contractor documents the Individual's preference for receiving material in English.

- 2.3.1.2.1.1.6 Providing the material in English, if the Contractor documents the Individual's preference for receiving material in English.
- 2.3.1.3 The Contractor shall ensure that all written information provided to Individuals is accurate, is not misleading, is comprehensible to its intended audience, is designed to provide the greatest degree of understanding, is written at the sixth grade reading level, and fulfills other requirements of the Contract as may applicable to the materials.
- 2.3.1.4 HCA may make exceptions to the sixth grade reading level when, in the sole judgment of HCA, the nature of the materials does not allow for a sixth grade reading level or the Individual's needs are better served by allowing a higher reading level. HCA approval of exceptions to the sixth grade reading level must be in writing.
- 2.3.1.5 Educational materials about topics or other information used by the Contractor for health promotion efforts must be submitted to HCA, but do not require HCA approval as long as they do not specifically mention the Contracted Services.

# 3. Quality Improvement

- 3.1 Contractors receiving GFS or FBG funds shall cooperate with SBHASO or HCA-sponsored Quality Improvement (QI) activities.
- 3.2 Contractor shall adequately document services provided to Individuals for all delegated activities including QI, Utilization Management, and Individual Rights and Protections.
- 3.4 Contractor shall implement a Grievance process that complies with WAC 182-538C-110.
- 3.5 Contractor shall make information available to Individuals regarding their right to a Grievance or Appeal in the case of:
  - 3.5.1 Denial or termination of service related to medical necessity determinations

- 3.5.2 Failure to act upon a request for services with reasonable promptness.
- 3.5.3 Termination of this Contract shall not be grounds for an appeal, Administrative Hearing, or a Grievance for the Individual if similar services are immediately available in the service area.
- 3.6 Contractor shall comply with Chapter 71.32 RCW (Mental Health Advance Directives)
- 3.7 Contractor shall use the Integrated Co-Occurring Disorder Screen Tool (GAIN-SS found at <a href="https://www.hca.wa.govbillers-providers-partners/behavioral-health-recovery/gain-ss">https://www.hca.wa.govbillers-providers-partners/behavioral-health-recovery/gain-ss</a>). Contractor shall provide training for staff that will be using the tool(s) to address the screening and assessment process, the tool and quadrant placement. This process is subject to Corrective Action if not implemented and maintained throughout the period of contract performance.
- 3.8 Contractor shall report Critical Incidents involving individuals receiving SBHASO funded services in accordance with SBHASO Critical Incident Reporting Policy and Procedure.

## 4. Program Integrity

- 4.1 Contractor shall have and comply with policies and procedures that guide its officers, employees and agents to comply with Program Integrity requirements.
- 4.2 Contractor shall investigate and disclose to HCA immediately upon becoming aware of any person in their employment who has been convicted of a criminal offense related to that person's involvement under Medicare, Medicaid, or Title XX of the Social Security Act since the inception of those programs.
- 4.3 Contractor shall have a Fraud, Waste and Abuse program which includes:
  - 4.3.1 A process to inform officers, employees, agents and subcontractors about the False Claims Act.
  - 4.3.2 Administrative procedures to detect and prevent Fraud, waste and abuse, and a mandatory compliance plan.

- 4.3.3 Standards of conduct that articulate the Contractor's commitment to comply with all applicable federal and state standards.
- 4.3.4 The designation of a compliance officer and compliance committee that is accountable to senior management.
- 4.3.5 Training for all affected parties.
- 4.3.6 Effective lines of communication between the compliance officer and the Contractor's staff.
- 4.3.7 Enforcement of standards through well-publicized disciplinary policies.
- 4.3.8 Provision for internal monitoring and auditing.
- 4.3.9 Provision for prompt response to detected violations, and for development of corrective action initiatives.
- 4.3.10 Provision of detailed information to employees regarding Fraud and abuse policies and procedures and the False Claims Act and the Washington false claims statutes, chapter 74.66 RCW, and RCW 74.09.210.
- 4.4 Contractor shall subrogate, to the state of Washington for all criminal, civil and administrative action recoveries undertaken by any government entity, including, but not limited to, all claims the Contractor has or may have against any entity or individual that directly or indirectly receives funds under this Contract.
  - 4.4.1 For the purpose of this section, "subrogation" means the right of any state of Washington government entity or local law enforcement to stand in the place of a Contractor or Individual in the collection against a third party.
- 4.5 Contractor shall conduct criminal background checks and maintain related policies and procedures and personnel files consistent with the requirements in Chapter 43.43 RCW and Chapter 246-341 WAC.
- 4.6 Contractor shall participate in the SBHASO Credentialing and Recredentialing process as indicated by SBHASO Policies and Procedures.

- 4.6.1 Contractor credentialing files are confidential and are scanned into a secure imaging system. This document retrieval system is protected by user ID and password to prevent unauthorized access. These files are protected from discovery and may not be reproduced or distributed, except for confidential peer review and credentialing purposes consistent with state laws.
- 4.6.2 When the SBHASO has reached a credentialing decision, the Contractor will be notified in writing, within 60 calendar days of the decision date. The credentialing determination notification will specify the range of actions that may be taken by the Contractor, including the appeal process.
- 4.6.3 The Contractor has the right to:
  - 4.6.3.1 Review information submitted to support their credentialing application.
  - 4.6.3.2 Correct erroneous information.
  - 4.6.3.3 Receive the status of their credentialing or recredentialing application, upon request.
  - 4.6.3.4 Appeal the credentialing decision to the Credentialing Committee in writing within 60 days from the date the decision is communicated. Any appeals will be reviewed by the Credentialing Committee; a determination will be made within 30 calendar days of receipt and written notice will be sent. There will be no subsequent appeal to this final decision.
- 4.6.4 If Contractor loses their accreditation, licenses, or any other essential credentialing requirements (e.g. Liability Insurance) prior to the re-credentialing period, they must notify the SBHASO in writing within 15 calendar days.

- 4.6.5 <u>Re-Credentialing</u>: Contractor re-credentialing is performed at minimum every 36 months or as indicated by SBHASO.
- 4.7 Contractor shall complete monthly Exclusion Checks for all employees, volunteers, and all individuals identified on the Disclosure of Ownership Form to include:
  - 4.7.1 Office of Inspector General <a href="https://exclusions.oig.hhs.gov/">https://exclusions.oig.hhs.gov/</a>
  - 4.7.2 System for Award Management <a href="https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf">https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf</a>
  - 4.7.3 Washington State <a href="https://www.hca.wa.gov/billers-providers-partners/apple-health-medicaid-providers/provider-termination-and-exclusion-list">https://www.hca.wa.gov/billers-providers-partners/apple-health-medicaid-providers/provider-termination-and-exclusion-list</a>
    - HCA Medicaid and DSHS social services list.
- 4.8 Contractor shall submit an attestation of completion of all Exclusion checks to SBHASO by the last business day of the month.
- 4.9 Information about Individuals, including their medical records, shall be kept confidential in a manner consistent with state and federal laws and Regulations.
- 4.10 SBHASO may pursue contract termination as outlined in General Terms and Conditions, Failure to Perform, if Contractor becomes excluded from participation in the Medicaid program.
- 5. Care Coordination and Priority Populations
  - 5.1 Contractor shall provide discharge planning services which shall, at a minimum,
    - 5.1.1 Coordinate a community-based discharge plan for each Individual served under this Contract, beginning at intake.

      Discharge planning shall apply to all Individuals regardless of length of stay or whether they complete treatment.
    - 5.1.2 Coordinate exchange of assessment, admission, treatment progress, and continuing care information with the referring entity. Contact with the referral agency shall be made within the first week of residential treatment.

- 5.1.3 Establish referral relationships with assessment entities, outpatient providers, vocational or employment services, and courts which specify aftercare expectations and services, including procedure for involvement of entities making referrals in treatment activities.
- 5.1.4 Coordinate, as needed, with DBHR prevention services, vocational services, housing services and supports, and other community resources and services that may be appropriate, including the DCYF, and the DSHS Economic Services Administration including Community Service Offices (CSOs), Tribal governments and non-Tribal Indian Healthcare Providers.
- 5.2 Contractor shall develop and implement processes to enable information and data sharing to support Care Coordination, consistent with this Contract.
- 5.3 Priority admission to residential treatment must be given to the priority populations identified in this contract.
- 5.4 Contractor shall coordinate services to financially eligible individuals who are in need of medical services.

## 6. Health Information Systems

Contractor shall establish and maintain a health information system that complies with the requirements of OCIO Security Standard 141.10, and the Data, Security and Confidentiality Exhibit, and provides the information necessary to meet Contractor's obligations under this Contract. OCIO Security Standards are available at: <a href="https://ocio.wa.gov">https://ocio.wa.gov</a>.

## 7. Records Retention

Records retention during the term of this Contract is for ten (10) years following termination or expiration of this Contract, or if any audit, claim, litigation, or other legal action involving the records is started before expiration of the ten (10) year period. The records shall be retained until completion and resolution of all issues arise there from or until the end of the ten (10) year period, whichever is later.

#### 8. Public Records

All records required to be maintained by this Contract or by state law, except medical, treatment and personnel records, shall be considered to be public records and maintained in accordance with applicable laws. Medical and treatment records shall be confidential and shall not be published or open to public inspection except that such records may be

inspected by the Director of the Health Care Authority, or designee; and Contract Administrator for the purpose of program review, monitoring and comparative cost studies.

## 9. Business Continuity and Disaster Recovery

- 9.1 Contractor shall have a primary and back-up solution for the electronic submission of the data requested by SBHASO. The solution shall utilize the Washington Technology Services MFT portal. In the event this method of transmission is unavailable and immediate data transmission is necessary, an alternate method of encrypted submission will be considered based on SBHASO approval.
- 9.2 The Contractor shall create and maintain a business continuity and disaster recovery plan that ensures timely reinstitution of the Individual information system following total loss of the primary system or a substantial loss of functionality. The plan shall include the following:
  - 9.2.1 A mission or scope statement.
  - 9.2.2 Information services disaster recovery person(s).
  - 9.2.3 Provisions for back up of key personnel, emergency procedures, and emergency telephone numbers.
  - 9.2.4 Procedures for effective communication, applications inventory and business recovery priorities, and hardware and software vendor lists.
  - 9.2.5 Documentation of updated system and operations and a process for frequent back up of systems and data.
  - 9.2.6 Off-site storage of system and data backups and the ability to recover data and systems from back-up files.
  - 9.2.7 Designated recovery options.
  - 9.2.8 Evidence that disaster recovery tests or drills have been performed.
- 9.3 Contractor must submit an annual certification statement indicating there is a business continuity disaster plan in place. The certification must indicate the plan is up to date, the system and data backup and recovery procedures have been tested, and copies of the Contractor plans are available for SBHASO and HCA to review and audit

## 10. FISCAL REQUIREMENTS AND MONITORING

## 10.1 Withhold of Payment

10.1.1 Failure of the Contractor to comply with the terms of this Contract shall give the SBHASO the right to withhold payment of any further funds under this Contract

#### 10.2 Reimbursement

10.2.1 In the event that it is determined that any funds were distributed under color of this contract, which violate the terms and conditions herein, such sums shall be reimbursed to the SBHASO upon written demand. Neither payment of any funds under color of this contract, nor any action of the SBHASO or its officials, officers, agents or employees, prior to the discovery of the violation, shall constitute a waiver thereof.

## 10.3 Right to Hearing

10.3.1 All notices shall be given in writing specifying the reasons for such demands, reimbursement, termination, or amendment or such other actions contemplated in this Contract and the Contractor shall have the right to a hearing within ten (10) days from such determination before the SBHASO Executive Board for determination of the action and prior to commencement of any civil litigation, by the Contractor.

## 10.4 Monitoring

- 10.4.1 SBHASO conducts on-going monitoring of Contractor's performance under this Contract. If deficiencies are identified in Contractor's performance, SBHASO will follow the Corrective Action process defined in Section G. In addition to on-going monitoring:
  - 10.4.1.1 SBHASO shall conduct Contractor review which shall include at least one (1) onsite visit every three (3) years to each contractor site providing state funded or FBG funded treatment services during the period of performance of this contract in order to monitor and document compliance with requirements.
  - 10.4.1.2 SBHASO shall ensure that Contractor has complied with data submission requirements established by HCA for all services funded under the Contract.

- 10.4.1.3 SBHASO shall ensure that Contractor updates patient funding information when the funding source changes.
- 10.4.1.4 SBHASO requires Contractor to identify funding sources consistent with the Payments and Sanctions Section of this Contract, FBG reporting requirements, and the rules for payer responsibility found in the table, "How do providers identify the correct payer" within the Apple Health Mental Health Services Billing Guide" which is available on the Health Care Authority's website (https://www.hca.wa.gov)
- 10.4.1.5 SBHASO shall maintain written or electronic records of all Contractor monitoring activities and make them available to HCA upon request.

## 11. Payment and Sanctions

- 11.1 The funds under this contract are dependent upon SBHASO's receipt of continued state and federal funding. If SBHASO does not receive continued state and federal funding, SBHASO may terminate this Contract in accordance with this Contract's General Terms and Conditions.
- 11.2 SBHASO will not reimburse the Contractor for any amount that exceeds the budget.
- 11.3 For all services, the Contractor must determine whether the Individual receiving services is eligible for Medicaid or has other insurance coverage.
  - 11.3.1 For Individuals eligible for Medicaid or other insurance, the Contractor must submit the claim for services to the appropriate party within twelve months from the calendar month in which the services were provided to the eligible individual.
  - 11.3.2 If the claim was incorrectly billed Contractor has an additional year to correct the claim WAC 182-502-0150.
  - 11.3.3 For those Individuals who are not eligible for Medicaid coverage, or are unable to pay co-pays or deductibles, the Contractor may offer a sliding fee schedule in accordance with this Contract.

- 11.3.4 Both GFS and FBG funds may be used to spenddown qualifying medical expenses incurred such as but not limited to, voluntary and involuntary inpatient, crisis stabilization and crisis residential stays. Qualified expenses paid by SBHASO shall be used to reduce an Individual's spenddown liability.
- 11.4 For FBG services, the Contractor shall comply with the utilization funding agreement within the State's most recent FBG plan. The Contractor agrees to comply with Title V, Section 1911-1935 and 1941-1957 of the Public Health Services Act (42 U.S.C. §§300x-1 300x-9; 300x-21 300x-35; 300x-51 300x-67, as amended). The Contractor shall not use FBG funds for the following:
  - 11.4.1 Construction and/or renovation.
  - 11.4.2 Capital assets or the accumulation of operating reserve accounts.
  - 11.4.3 Equipment costs over \$5,000.
  - 11.4.4 Cash payments to Individuals.
- 11.5 Non-Compliance
  - 11.5.1 Failure to Maintain Reporting Requirements In the event the Contractor fails to maintain its reporting obligations under this Contract, SBHASO reserves the right to withhold reimbursements to the Contractor until the obligations are met.
  - 11.5.2 Recovery of Costs Claimed in Error If SBHASO reimburses the Contractor for expenditures under this Contract which SBHASO later finds were claimed in error or were not allowable costs under the terms of this Contract, SBHASO shall recover those costs and the Contractor shall fully cooperate with the recovery.
  - 11.5.3 Additional Renumeration Prohibited
    - 11.5.3.1 The Contractor shall not charge or accept additional fees from any Individual, relative, or any other person, for FBG services provided under this Contract other than those specifically authorized by SBHASO and HCA. In the event the Contractor charges or accepts prohibited fees, SBHASO shall have the right

to assert a claim against the Contractor on behalf of the Individual, per chapter 74.09 RCW. Any violation of this provision shall be deemed a material breach of this Contract.

11.5.3.2 The Contractor must reduce the amount invoiced to SBHASO by any sliding fee schedule amounts collected from Individuals in accordance with this contract

#### 11.6 Sanctions

- 11.6.1 If the Contractor fails to meet one or more of its obligations under the terms of this Contract or other applicable law, HCA may:
  - 11.6.1.1 Immediate remedial action if it is determined that any of the following situations exist:
    - 11.6.1.1.1 The Contractor has failed to perform any of the Contracted Services.
    - 11.6.1.1.2 The Contractor has failed to develop, produce, and/or deliver to SBHASO any of the statements, reports, data, data corrections, accountings, claims, and/or documentation described in this Contract.
    - 11.6.1.1.3 The Contractor has failed to perform any Administrative Function required under this Contract.
    - 11.6.1.1.4 The Contractor has failed to implement corrective action required by SBHASO and within SBHASO prescribed timeframes.

#### 12. Audit Requirements

- 12.1 Contractor shall comply with all applicable required audits including authority to conduct a facility inspection, and the federal Office of Management and Budget (OMB) Super Circular 2 C.F.R. 200.501 and 45 C.F.R 75.501 audits.
  - 12.1.1 If Contractor is subject to OMB Super Circular audit, the SBHASO shall require a copy of the completed Single Audit and ensure corrective action is taken for any audit finding, per OMB Super Circular requirements

12.1.2 If Contractor is not subject to OMB Super Circular audit, the SBHASO shall perform Contractor monitoring in compliance with federal requirements.

## 13. Federal Block Grant

- 13.1 FBG funds may not be used to pay for services provided prior to the execution of Contract, or to pay in advance of service delivery. Contract and amendments must be in writing and executed by both parties prior to any services being provided.
- 13.2 FBG fee-for-service, set rate, performance-based, Cost Reimbursement, and lump sum Contracts shall be based on reasonable costs.
- 13.3 Contractor must receive an independent audit if the Contractor expends a total of \$750,000 or more in federal awards from any and/or all sources in any state fiscal year. Contractor shall submit to the SBHASO the data collection form and reporting package specified in 2 C.F.R. Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor within ten (10) days of audit reports being competed and received by Contractor. SBHASO shall follow up with any corrective actions for Contractor audit findings in accordance with 2 D.F.R. Part 200, Subpart F. SBHASO shall retain documentation of all Contractor monitoring activities; and, upon request by HCA, shall immediately make all audits and/or monitoring documentation available to the HCA.
- 13.4 SBHASO shall conduct and/or make arrangements for an annual fiscal review of each Contractor receiving FBG funds, regardless of reimbursement methodology (i.e.: fee-for-service, set rate, performance-based or cost reimbursement contracts), and shall provide HCA with documentation of these annual fiscal reviews upon request. The annual fiscal review shall ensure that:
  - 13.4.1 Expenditures are accounted for by revenue source.
  - 13.4.2 No expenditures were made for items identified in the Payment and Sanctions Section of this Contract.
  - 13.4.3 Expenditures are made only for the purposed stated in this Contract, and for services that were actually provided.
- 13.5 Contractor shall participate in the peer review process when requested by the HCA. (42 U.S.C. 300x-53(a) and 45 C.F.R. 96.136). The MHBG and SABG requires an annual peer review by individuals with expertise in the field of drug abuse treatment (for SABG) and individuals with expertise in

the field of mental health treatment (for MHBG). At least five percent (5%) of treatment providers will be reviewed.

13.6 FBG funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. FBG funds also cannot be provided to any individual or organization that permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. § 75.300(a), 21 U.S.C. §§ 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under the Federal Drug Administration (FDA)-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned substance under federal law.

## 14. Suspension, Debarment and Lobbying

The Contractor shall certify, on a separate form (Attachment G), that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency. Contractor shall actively monitor its employees for excluded status in accordance with SBHASO Policies and Procedures. The Contractor, on a separate form (Attachment F), will certify that it does not use Federal funds for lobbying purposes.

## 15. Data Reporting Requirements

- 15.1 Contractor shall submit complete and accurate reports and data under the Contract, including encounter data that complies with data reporting requirements promulgated by the Health Care Authority (HCA), including the Service Encounter Reporting Instructions (SERI) and the SBHASO Data Dictionary, HCA Encounter Data Reporting Guide (EDRG), and the Behavioral Health Supplemental Transactions that complies with the Behavioral Health Data Storage Guide.
- 15.2 Contractor shall provide data to the SBHASO as needed for performance improvement or other projects.
- 15.3 Data shall be uploaded into the SBHASO data system within thirty (30) calendar days from the date of service or event.

#### 16. Billing Procedures

- 16.1 The Contractor shall be paid within the limits established within Attachment C: Budget/Rate Sheet. Any costs incurred by the Contractor over and above the total sums set out in Attachment C: Budget/Rate Sheet, shall be at the Contractor's sole risk and expense.
- 16.2 The Contractor shall submit invoices for payment no later than 30 calendar days following the end of month that service was provided. Invoices for psychiatric inpatient treatment may be submitted within 90 calendar days following the end of month of discharge.
- 16.3 The SBHASO shall pay the Contractor monthly for services identified in the Statement of Work of this Contract, subject to the availability of funds from the Health Care Authority and Contractor's compliance with this Contract. To be compliant with payment standards SBHASO shall pay or deny, 95 percent of clean claims and encounters within thirty (30) calendar days of receipt of the invoice from the Contractor, 95 percent of all claims within sixty (60) calendar days of receipt of the invoice from the Contractor, and 99 percent of claims within ninety (90) calendar days of receipt of the invoice from the Contractor.

## 17. Faith Based Organizations (FBO)

- 17.1 SBHASO requires FBO to meet the requirements of 42 C.F.R. Part 54 as follows:
  - 17.1.1 Individuals requesting or receiving SUD services shall be provided with a choice of SUD treatment providers.
  - 17.1.2 The FBO shall facilitate a referral to an alternative provider within a reasonable time frame when requested by the recipient of services.
  - 17.1.3 The FBO shall report to the SBHASO all referrals made to alternative providers.
  - 17.1.4 The FBO shall provide Individuals with a notice of their rights.
  - 17.1.5 The FBO shall provide Individuals with a summary of services that includes any religious activities.
  - 17.1.6 Funds received from the FBO must be segregated in a manner consistent with federal Regulations.
  - 17.1.7 No funds may be expended for religious activities.

#### 18. Indemnification

Contractor agrees to hold harmless HCA and its employees, and all Individuals served under the terms of this Contract in the event of non-payment by the SBHASO. Contractor further agrees to indemnify and hold harmless HCA and its employees against all injuries, deaths, losses, damages, losses, damages, claims, suits, liabilities, judgments, costs and expenses which may in any manner accrue against HCA or its employees through the intentional misconduct, negligence, or omission of SBHASO, its agents, officers, employees or contractors.

## 19. Corrective Action Process

- 19.1 The SBHASO conducts reviews of Contractors. During the course of any review conducted, if performance is below Contract standards, the SBHASO will request that the Contractor provide a Corrective Action Plan. SBHASO will work with Contractor staff in creating Corrective Action Plans, when requested.
- 19.2 If the Contract Administrator finds indications of ongoing potential non-compliance during the contract monitoring processes or learns that the Contractor, or its subcontractors, are out of compliance with any of the terms or conditions of this Contract, the follow process will be pursued.

## 19.2.1 Informal Meeting

Informal process wherein the Administrator alerts the appropriate Contractor's staff of the potential non-compliance and an agreeable solution is reached.

# 19.2.2 Official Verbal Notification

If the informal meeting does not result in resolution, the SBHSO will contact the Contractor for the purpose of official verbal notification of possible non-compliance to establish a date when representatives of the SBHASO and the Contractor shall meet and discuss areas of contention and attempt to resolve the issues.

## 19.2.3 Written Summary

Within five (5) working days of such verbal notification, the SBHASO will provide the Contractor representative a written summary of the areas of non-compliance or potential non-compliance by certified mail. Notice shall be sent to the individual identified in the General Agreement.

#### 19.2.4 Discussion

Within twenty (20) days of the date of the written notification, a discussion between SBHASO and Contractor staff shall be conducted to address areas of non-compliance or potential non-compliance.

# 19.2.5 Withhold Payments

If the SBHASO and the Contractor cannot agree upon a resolution within ten (10) working days of the discussion described in the previous paragraph, the SBHASO shall withhold contract payments related to the area(s) of non-compliance or potential non-compliance, unless a written, time-limited extension of the period to agree upon corrective action is issued by the SBHASO.

## ATTACHMENT B: STATEMENT OF WORK -R.E.A.L. Program

- Contractors shall comply with all of the requirements in the most up-to-date version of the Recovery Navigator Program Uniform Program Standards in coordination with SBH-ASO.
- 2. The R.E.A.L. Program provides community-based outreach support throughout the region in accordance with the Uniform Program Standards. The R.E.A.L. Program is expected to provide:
  - a. Field-based engagement and support.
  - b. Support is ideally provided face-to-face. If barriers exist, virtual or telephone visits may be utilized.
  - c. There is no specified time limitation for participation in the R.E.A.L. Program. Timelines are individually self-determined.
  - d. Participation is voluntary and non-coercive.
  - e. Intended to be staffed by individuals with lived experience with substance use disorder.
  - f. Staff that reflects the visible diversity of the community served, e.g. Black Indigenous and People of Color (BIPOC) peers, trans peers, lesbian/gay/bisexual peers, peers with visible and non-visible disabilities.
  - g. Engagement in and facilitates Cross Agency Coordination with Golden Thread Service Coordination.
  - h. Engagement/education in Overdose Prevention and Response.
  - i. Does not require abstinence from drug or alcohol use for program participation.
- 3. The priority population of the R.E.A.L. Program are individuals with substance use disorders and/or co-occurring substance use disorder and mental health who are at risk of arrest and/or have frequent contact with first responders (including law enforcement and emergency medical services), community members, friends, family, and who could benefit from being connected to supportive resources and public health services when appropriate.
- 4. The R.E.A.L. Programs provide referrals to crisis services (e.g. voluntary and involuntary options), as needed, through the Salish Regional Crisis Line at 1-888-910-0416.
- 5. The R.E.A.L. Programs provide the following supports to youth and adults with behavioral health conditions, including:
  - a. Community-based outreach;
  - b. Brief Wellbeing Screening (intake);
  - c. Referral services;
  - d. Program Screening and Needs Scale (comprehensive assessment);
  - e. Connection to services; and
  - f. Warm handoffs to treatment and recovery support services along the continuum of care

Additional supports to be provided as appropriate, include, but are not limited to:

- a. Long-term intensive outreach support/care management.
- b. Development of Success Plan.

- c. Recovery coaching.
- d. Recovery support services.
  - i. Utilize flexible participant funds within available funding.
- e. Treatment.
- 6. The R.E.A.L. Program referral process:
  - Law Enforcement is considered a priority referral and R.E.A.L. Programs accept referrals from diverse sources, including community members and system partners.
    - i. For counties with multiple R.E.A.L. Programs, referral is based on referent or individual choice and assessed needs.
      - 1. R.E.A.L. Programs coordinate and transition individuals upon request.
    - ii. There is "no wrong door" for an individual to be referred to R.E.A.L. Program.
  - b. Referrals may be completed by direct access phone number, voicemail, inperson, or other means as indicated.
    - i. R.E.A.L. Programs accept referrals and coordinate appropriate response 24 hours a day, 7 days per week, 365 days per year.
      - All responses are expected to occur where the individual is at, including well-known locations, shelters, or community-based programs.
      - 2. Expected in-person response time is sixty (60) to ninety (90) minutes as indicated by geography.
- 7. The R.E.A.L. Program Involuntary Discharge protocol:
  - Individuals may be involuntarily discharged from the program due to lack of contact.
    - i. At least 5 attempted contacts over a 60-day period are made prior to program discharge.
    - ii. If contact is made after that 60-day timeframe, there are no barriers to reengaging with the R.E.A.L. Program.
  - b. Individuals may be discharged if expected incarceration of more than 1 year.
  - c. Individuals presenting significant safety risk to team members (e.g., threats to staff or agency with plan and means) may be discharged.
  - d. Upon discharge, appropriate referrals to other community resources are assessed.
- 8. R.E.A.L. Programs Staffing
  - a. Each R.E.A.L. Program must maintain enough appropriately trained personnel which must include individuals with lived experience with substance use disorder to the extent possible.
  - b. Each R.E.A.L. Team includes three roles:
    - i. Project Manager
    - ii. Outreach Coordinator/Care Manager

- iii. Recovery Coach
- c. All R.E.A.L. Program staff are expected to spend 90% of their time in the field.
- d. Clinical supervision is available to each R.E.A.L. Team in accordance with the Uniform Program Standards. Clinical supervisors will have an understanding of R.E.A.L. Program principles.
- e. In counties with two R.E.A.L. Teams, both teams are expected to:
  - i. Provide support in the designated area.
  - ii. Maintain a partnership that supports the continuity and consistency of the R.E.A.L. Program
  - iii. Coordinate outreach and engagement with community partners.
  - iv. Co-facilitate Operational Work Group and Policy Coordinating Group meetings.
- 9. Privacy in accordance with SBH-ASO and agency policies.
- 10. The R.E.A.L. Program Staff Training Plan includes:
  - a. Prior to First Contact:
    - i. LEAD Toolkit Overview
    - ii. CPR and Medical First Aid
    - iii. Safety Training
    - iv. Confidentiality, HIPAA, and 42 CFR Part 2 training
    - v. Harm reduction
    - vi. Trauma-informed responses
    - vii. Cultural appropriateness
    - viii. Conflict resolution and de-escalation techniques
    - ix. Crisis Intervention
    - x. Introduction to Regional Crisis System
    - xi. Overdose Prevention/Naloxone Training, Recognition, and Response
    - xii. Local Resources, e.g., meal programs, hygiene/showers, veterans, domestic violence, bus passes, transportation, medical providers, behavioral health, furniture, clothing, tents/tarps, etc.
  - b. Within 90 days:
    - i. Diversity training
    - ii. Suicide Prevention
    - iii. Outreach strategies
    - iv. Working with American Indian/Alaska Native individuals
    - v. Basic cross-system access, e.g., Program for Assertive Community Treatment (PACT), Wraparound with Intensive Services (WISe), Housing and Recovery through Peer Services (HARPS), Community Behavioral Health Rental Assistance Program (CBRA), Program for Adult Transition to Health (PATH), Foundational Community Supports (FCS), etc.—Region Specific
    - vi. Gather, Assess, Integrate, Network, and Stimulate (GAINS)
    - vii. Ethics
    - viii. Centers for Medicare and Medicaid Services (CMS) Benefits Training
    - ix. Housing and Homelessness
    - x. Opiate Substitution Treatment/Medication Assisted Treatment (OST/MAT) options
    - xi. Working with People with Intellectual/Developmental Disorders
    - xii. Early intervention/prevention

- xiii. Ombuds services through the Office of Behavioral Health Advocacy (OBHA)
- xiv. Cross-training between Law Enforcement and R.E.A.L. Program Outreach/Care Managers (LEAD National Support Bureau WA State)
- xv. Building relationships (LEAD National Support Bureau WA State)
- xvi. Shared Decision-Making Processes for Services
- c. Additional Trainings Recommended:
  - i. Peer Certification Training (Optional)
  - ii. SSI/SSDI Outreach, Access, and Recovery (SOAR) Training (Optional)
  - iii. Mental Health First Aid
  - iv. Vicarious Trauma/Secondary Trauma
  - v. Stigma
  - vi. Motivational Interviewing
  - vii. Government to Government Training for collaborating with Tribes
  - viii. Crisis Intervention Training (CIT)

## 11. The R.E.A.L. Program Operational Workgroup

a. The R.E.A.L. Program Operational Work Group (OWG) is facilitated by the R.E.A.L. Program Project Manager(s). The OWG provides coordination with Law Enforcement agencies, court agencies, fire departments/EMS, and other community support programs to review day-to-day operations. The OWG collectively monitors, identifies, discusses, and addresses operational, administrative, and participant-specific needs. It also coordinates support and care for individuals based on their identified needs, and identifies gaps, barriers, and challenges in accessing services and meeting the needs of the priority population.

## 12. The R.E.A.L. Program Policy Coordinating Group

a. The R.E.A.L. Program Policy Coordinating Group (PCG), facilitated by the R.E.A.L. Program Project Manager(s), is composed of community leadership who are authorized to make decisions on behalf of their respective offices. The PCG is the stewardship body and reviews protocols and processes, and makes policy-level recommendations for the R.E.A.L. Programs within their communities. It also ensures sufficient resources are dedicated for program success, and reviews, approves, and modifies overarching protocols to reflect the site's intention. The PCG also works toward system change and identifies and addresses gaps, barriers, and challenges in accessing services and meeting the needs of the priority population.

#### 13. LEAD Technical Assistance

a. The LEAD National Support Bureau/Washington State Expansion Team is available for technical assistance, as coordinated by the RNP Administrator.

### 14. R.E.A.L. Program Reporting Requirements

## KC-360-22-C

a. Monthly submission of the R.E.A.L. Program Logs by the 10<sup>th</sup> of the month following the month of service to the SBH-ASO via Provider Portal. SBH-ASO may require additional data reporting as appropriate.

	<b>Budget Sun</b>	nmary	
Contra	actor: Peninsula E	Behavioral Health	
Contract No:	KC-360-22-C		
Contract Period:	7/1/2022 - 12/3	1/2025	
Expenditure	Previous	Changes this Contract	Current
Period 1: 7/1/22 -06/30/23			
R.E.A.L. Program (GFS)	\$381,209.00	\$0.00	\$381,209.00
Period 1 Budget Total	\$381,209.00	\$0.00	\$381,209.00
Period 2: 7/1/23 -06/30/24	Previous	Changes this Contract	Current
R.E.A.L. Program (GFS)	\$381,209.00	\$0.00	\$381,209.00
Period 2 Budget Total	\$381,209.00	\$0.00	\$381,209.00
Period 3: 7/1/24 -06/30/25	Previous	Changes this Contract	Current
R.E.A.L. Program (GFS)	\$435,000.00	\$0.00	\$435,000.00
Additional vehicle purchase	\$50,000.00	\$0.00	\$50,000.00
Period 3 Budget Total	\$485,000.00	\$0.00	\$485,000.00
Period 4: 7/1/25 -12/31/25	Previous	Changes this Contract	Current
R.E.A.L. Program (GFS)	\$0.00	\$217,500.00	\$381,209.00
Period 4 Budget Total	\$0.00	\$217,500.00	\$381,209.00
Contract Total	1,247,418.00	217,500.00	1,464,918.00

Administration Fund limit: 10%

REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

ACORD

PENIBEH-01

DDRAPER

DATE (MM/DD/YYYY) 6/4/2025

## CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

tl	nis certificate does not confer rights				uch end	lorsement(s)		, .oquo un chao			
	DUCER				CONTA NAME:						
Yakima Office Marsh McLennan Agency LLC			PHONE (A/C, No, Ext): (509) 248-7460 FAX (A/C, No): (866) 207-2618								
120	2 North 16th Avenue, #200				E-MAIL ADDRE	SS:					
Yak	ima, WA 98902					INS	SURER(S) AFFO	RDING COVERAGE			NAIC #
					INSURE	R A : Cincinr	nati Insurar	ce Company			10677
INSU	JRED				INSURE	R B : Scotts	lale Insura	nce Company			41297
Peninsula Behavioral Health 118 East 8th Street				INSURER C:							
				INSURE	RD:						
Port Angeles, WA 98362					INSURE	RE:					
					INSURER F:						
CO	VERAGES CER	TIFIC	CATE	NUMBER:				REVISION NUM	BER:		
C	HIS IS TO CERTIFY THAT THE POLICI IDICATED. NOTWITHSTANDING ANY F ERTIFICATE MAY BE ISSUED OR MAY XCLUSIONS AND CONDITIONS OF SUCH	REQUI PER	REMI TAIN,	ENT, TERM OR CONDITIO THE INSURANCE AFFOR	N OF A	NY CONTRA THE POLIC	CT OR OTHER IES DESCRIE	R DOCUMENT WITH SED HEREIN IS SU	H RESPE	ECT TO	O WHICH THIS
INSR LTR	TYPE OF INSURANCE	ADDL	SUBR	POLICY NUMBER		POLICY EFF	POLICY EXP (MM/DD/YYYY)		LIMIT	s	
A	X COMMERCIAL GENERAL LIABILITY	11400	*****			(	(31111)	EACH OCCURRENCE		\$	1,000,000
	CLAIMS-MADE X OCCUR	х		ETD 0685265		5/13/2025	5/13/2026	DAMAGE TO RENTE PREMISES (Ea occur		\$	100,000
		^						MED EXP (Any one pe		\$	5,000
								PERSONAL & ADV IN	•	\$	1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:							GENERAL AGGREGA		\$	3,000,000
	X POLICY PRO-							PRODUCTS - COMP/		\$	3,000,000
	OTHER:							FRODUCTS - COMP	OF AGG	\$	
	AUTOMOBILE LIABILITY							COMBINED SINGLE I	IMIT	\$	
	ANY AUTO							(Ea accident)		\$	
	OWNED SCHEDULED							BODILY INJURY (Per			
	AUTOS ONLY AUTOS HIRED NON-OWNED AUTOS ONLY							BODILY INJURY (Per PROPERTY DAMAGE (Per accident)		\$	
	AUTOS ONLY AUTOS ONLY							(Per accident)		\$	
	UMBRELLA LIAB OCCUR							EACH OCCUPPENCE		\$	
	EXCESS LIAB CLAIMS-MADE							EACH OCCURRENCE		\$	
	DED RETENTION\$							AGGREGATE		\$	
								PER	OTH-	\$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY  Y/N							STATUTE	ER		
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N/A						E.L. EACH ACCIDENT		\$	
	If yes, describe under							E.L. DISEASE - EA EN			
В	Professional Liab			OPS1586820		5/13/2025	5/13/2026	E.L. DISEASE - POLICE Per Cliam	CYLIMIT	\$	1,000,000
_	Professional Liab			OPS1586820		5/13/2025		Aggregate			3,000,000
Ь	i Tolessional Llab			01 3 1300020		3/13/2023	3/13/2020	Aggregate			3,000,000
DES(	CRIPTION OF OPERATIONS / LOCATIONS / VEHIC Ch Behavioral Health Administrative Ser	LES (A	CORD Org	101, Additional Remarks Schedu anization is an additional i	ile, may b nsured	e attached if mor per attached	e space is requir GA262.	ed)			
CE	RTIFICATE HOLDER	-			CANO	ELLATION					
<u>JL</u> I	Salish Behavioral Health Administrative Services Org 614 Division Street, MS-23 Port Orchard, WA 98366-467		tion		SHO THE ACC	JLD ANY OF T	I DATE THE THE THE POLIC	ESCRIBED POLICIE EREOF, NOTICE Y PROVISIONS.			

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# SOCIAL SERVICES COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### A. Endorsement - Table of Contents:

Coverage:	<b>Begins on Page:</b>
<ol> <li>Employee Benefit Liability Coverage.</li> <li>Unintentional Failure To Disclose Hazards.</li> <li>Damage To Premises Rented To You.</li> <li>Supplementary Payments.</li> <li>Medical Payments.</li> <li>180 Day Coverage For Newly Formed Or Acquired Organizations.</li> <li>Waiver Of Subrogation.</li> <li>Automatic Additional Insured - Specified Relationships:         <ul> <li>(a) Managers Or Lessors Of Premises</li> <li>(b) Lessor Of Leased Equipment</li> <li>(c) Vendors</li> <li>(d) State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations</li> <li>(e) Mortgagee, Assignee Or Receiver</li> <li>(f) Grantor Of Franchise</li> <li>(g) Owners, Lessees Or Contractors</li> </ul> </li> </ol>	10 11 11
(h) Controlling Interest (i) Benefactors Or Grantors	
9. Property Damage To Borrowed Equipment 10. Employees As Insureds - Specified Health Care Services 11. Broadened Notice Of Occurrence 12. Nonowned Aircraft 13. Bodily Injury Redefined 14. Expected Or Intended Injury Redefined 15. Former Employees As Insureds 16. Broadened Who Is An Insured 17. Replacement Of Customers Keys Or Locks 18. Limited Employee Criminal Defense Expense Coverage 19. Limited Assault Expense Coverage 20. Limited Rental Lease Agreement Contractual Liability Coverage 21. Fellow Employee Coverage 22. Personal And Advertising Injury Redefined 23. Voluntary Property Damage Coverage 24. Worldwide Liability Coverage Extension 25. Client Defined	

### B. Limits Of Insurance:

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

## 1. Employee Benefit Liability Coverage

Each Employee Limit: \$1,000,000 Aggregate Limit: \$3,000,000 Deductible Amount: \$1,000

3. Damage To Premises Rented To You

a. The lesser of:

(1) The Each Occurrence Limit shown in the Declarations; or (2) \$1,000,000

\$30,000 aggregate sublimit for damage caused by your "client"

## Supplementary Payments

a. Bail Bonds:

b. Loss Of Earnings: \$1,000

## 9. Property Damage To Borrowed Equipment

Each Occurrence Limit: \$10,000

Deductible Amount:

\$ 250

## 17. Replacement Of Customers Keys Or Locks

Each Occurrence Limit: \$25,000

Deductible Amount:

\$ 250

## 18. Limited Employee Criminal Defense Expense Coverage

Each Criminal Proceedings Limit: \$10,000

Aggregate Limit:

\$50,000

## 19. Limited Assault Expense Coverage

Each Person Limit: \$10,000

Aggregate Limit:

\$25,000

## 20. Limited Rental Lease Agreement Contractual Liability Coverage

Each Occurrence Limit: \$100,000

## 23. Voluntary Property Damage Coverage

Each Occurrence Limit: \$1,000

Aggregate Limit:

\$5,000

Deductible Amount:

\$ 250

## C. Coverages

## 1. Employee Benefit Liability Coverage

The following is added to Section I -Coverages:

### EMPLOYEE BENEFIT LIABILITY COVERAGE

#### (1) Insuring Agreement

(a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- The amount we will pay for damages is limited as described in C. Coverages, 1. Employee Benefit Liability Coverage, c. Limits Of Insurance of this endorsement; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments. ,

(b) This insurance applies to damages only if the act, error or omission is negligently committed in the "administration" of your "employee benefit program"; and

- Occurs during the policy period; or
- Occurred prior to the "first effective date" of this endorsement provided:
  - a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will he deemed to have knowledge of a daim or "suit" when any insured listed under C. Coverages, Employee Benefit Liability Coverage, b. Who Is An Insured, (1) of this endorsement or "employee" any authorized by you to give or receive notice of a claim or "suit":

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;
- ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and
- b) There is no other applicable insurance.

#### (2) Exclusions

This insurance does not apply to:

### (a) Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

## (b) Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

#### (c) Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

## (d) Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

### (e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any claim based upon:

- Failure of any investment to perform;
- Errors in providing information on past performance of investment vehicles; or
- Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

## (f) Workers' Compensation And Similar Laws

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

### (g) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security

Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

## (h) Available Benefits

Any claim for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

## (i) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

## (j) Employment-Related Practices

Any liability arising out of any:

- 1) Refusal to employ;
- Termination of employment;
- Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, acts or omissions; or
- Consequential liability as a result of 1), 2) or 3) above.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

### (k) Cyber

Any liability, costs, expenses or damages arising, directly or indirectly, out of or as a consequence of any:

- "Computer attack";
- "Network security incident";
- "Privacy violation"; or

4) Fraudulent communication that impersonates any person or organization that results in the transfer of funds or other property, regardless of the medium or technique used.

## (3) Supplementary Payments

Section I - Supplementary Payments - Coverages A and B also apply to this Coverage, however 1.b. and 2. of the Supplementary Payments provision do not apply.

### b. Who is An insured

As respects Employee Benefit Liability Coverage, **Section II - Who is An Insured** is replaced by the following:

- (1) If you are designated in the Declarations as:
  - (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
  - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - (e) A trust, you are an insured. Your trustees are also insureds, but only with re-

spect to their duties as trus-

- (2) Each of the following is also an insured:
  - (a) Each of your "employees" who is or was authorized to administer your "employee benefit program";
  - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed; or
  - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:
  - (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - (b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

## c. Limits Of Insurance

As respects Employee Benefit Liability Coverage, **Section III - Limits Of Insurance** is replaced by the following:

- (1) The Limits of Insurance shown in Section B. Limits Of Insurance, 1. Employee Benefit Liability Coverage of this endorsement and the rules below fix the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought;

- (c) Persons or organizations making claims or bringing "suits":
- (d) Acts, errors or omissions; or
- (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section B. Limits Of Insurance, 1. Employee Benefit Liability Coverage of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section B. Limits Of Insurance, 1. Employee Benefit Liability Coverage of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
  - (a) An act, error or omission; or
  - (b) A series of related acts, errors or omissions, regard-less of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

#### (4) Deductible Amount

(a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount shown in Section B. Limits Of Insurance, 1. Employee Benefit Liability Coverage of this endorsement as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.

- (b) The Deductible Amount shown in Section B. Limits Of Insurance, 1. Employee Benefit Liability Coverage of this endorsement applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
  - Our right and duty to defend the insured against any "suits" seeking those damages; and
  - Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or daim;

apply irrespective of the application of the Deductible Amount.

(d) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

## d. Additional Conditions

As respects Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions is amended as follows:

- (1) Item 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit is deleted in its entirety and replaced by the following:
  - 2. Duties In The Event Of An Act, Error, Omission, Claim Or Suit
    - a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:
      - (1) What the act, error or omission was

- and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:
  - (1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit":
  - (2) Authorize us to obtain records and other information:
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a

payment, assume any obligation, or incur any expense without our consent.

(2) Item 4. Other Insurance is replaced by the following:

#### 4. Other insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this Employee Benefit Liability Coverage, our obligations are limited as follows:

### a. Primary Insurance

This insurance is primary except when **c**. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **b**. below.

#### b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### c. No Coverage

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Employee Benefit Liability Coverage.

### e. Additional Definitions

As respects Employee Benefit Liability Coverage, **Section V - Definitions** is amended as follows:

- (1) The following definitions are added:
  - 1. "Administration" means:
    - a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
    - **b.** Interpreting the "employee benefit programs";
    - c. Handling records in connection with the "employee benefit programs"; or
    - d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. I-landling payroll deductions; or
- b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.
- 2. "Biometric information" means any:
  - a. Biological measurement or physical characteristic of an individual, including but not limited to a retina or iris scan, fingerprint, palmprint, voiceprint, hand or face geometry, vein pattern, genetic data, movement, or any other information that can be

- used as a form of identification or authentication; or
- b. Information, regardless of how it is captured, converted, stored or shared, based on an individual's biological measurement or physical characteristic.
- "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
- 4, "Computer attack" means:
  - Unauthorized access or authorized access for an unauthorized purpose;
  - b. A "malware attack"; or
  - c. A "denial of service attack":

against any computer, computer system or network of computers or computer systems, including any other machinery or equipment, including their control systems, which are accessed by or integrated into a computer, computer system or network of computers or computer systems.

- 5. "Denial of service attack" means an attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede users from gaining access to the target computer or network through the internet.
- 6. "Employee benefit programs" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
  - a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts;

- provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
- Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits:
- Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.
- "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.
- "Malware attack" means an attack that damages a computer, computer system or network of computers or computer systems, including any other machinery or equipment, including their control systems, which are accessed by or integrated into a computer, computer system or network of computers or computer systems, or data contained therein arising from malicious code, including, but not limited to, viruses, worms, Trojans, spyware,

keyloggers and ransomware.

- "Network security incident" means a security failure or weakness with respect to a computer, computer system or network of computers or computer systems which allowed one or more of the following to happen:
  - The propagation or forwarding of malware, including, but not limited to, viruses, worms, Trojans, spyware, keyloggers and ransomware;
  - The abetting of a "denial of service attack" against one or more other systems;
  - c. The loss, release, or disclosure of data;
  - d. The inability to access a computer system;
  - The unauthorized access to a computer system.
- 10. "Privacy law" means any law, statute or regulation enacted or promulgated by or on behalf of any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity that creates legally enforceable responsibilities with respect to:
  - a. The collection, use, storage, disclosure, disposal, sharing or disseminating as well as correction or supplementation of personally identifying information, including, but not limited to, "biometric information"; or
  - The adoption and communication of, as well as compliance with, a "privacy policy".

"Privacy laws" include, but are not limited to, the European Union General Data Protection Regulation, the California Consumer Privacy Act and the Illinois Bio-

- metric Information Privacy Act.
- 11. "Privacy policy" means an entity's policy for collection, use, storage, disclosure, disposal, sharing, disseminating and correction or supplementation of personally identifying information, including, but not limited to, "biometric information".
- "Privacy violation" means failure to comply for any reason with a "privacy law" or "privacy policy".
- (2) The following definitions are deleted in their entirety and replaced by the following:
  - 5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
  - 18. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
    - An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
    - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
    - c. An appeal of a civil proceeding.
- Unintentional Failure To Disclose Hazards

Section IV - Commercial General Liability Conditions, 6. Representations is amended by the addition of the following:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under

this Coverage Part based solely on such failure.

- 3. Damage To Premises Rented To You
  - The last paragraph of 2. Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in Section III - Limits Of Insurance.

b. The insurance provided under Section I - Coverage A - Bodily Injury And Property Damage Liability applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

As respects Water Damage Legal Liability, as provided in Paragraph 3.b. above:

The exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, other than I. War and the Nuclear Energy Liability Exclusion (Broad Form), are deleted and the following are added:

This insurance does not apply to:

- (a) "Property damage":
  - (i) Assumed in any contract or agreement; or
  - (ii) Caused by or resulting from any of the following:
    - Wear and tear;
    - 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself:
    - 3) Smog;
    - Mechanical breakdown Including rupture or bursting caused by centrifugal force;
    - Settling, cracking, shrinking or expansion;

- Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or
- Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.
- (b) "Property damage" caused directly or indirectly by any of the following:
  - Earthquake, volcanic eruption, landslide or any other earth movement;
  - (ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
  - (iii) Water under the ground surface pressing on, or flowing or seeping through:
    - Foundations, walls, floors or paved surfaces;
    - Basements, whether paved or not; or
    - Doors, windows or other openings.
- (c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:
  - You did your best to maintain heat in the building or structure; or
  - (ii) You drained the equipment and shut off the water supply if the heat was not maintained.
- (d) "Property damage" to:
  - Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or

(ii) The interior of any building or structure, or to personal property in the building or structure caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

#### c. Limit Of Insurance

With respect to the insurance afforded in Paragraphs 3.a. and 3.b. above, the Damage To Premises Rented To You Limit as shown in the Declarations is amended as follows:

- (1) Paragraph 6, of Section III Limits Of Insurance is replaced by the following:
  - 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A Bodily Injury And Property Damage Liability for damages because of "property damage" to any one premises:
    - a. While rented to you, or temporarily occupied by you with permission of the owner;
    - In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or
    - c. In the case of damage by water, while rented to and occupied by you.
- (2) The most we will pay is limited as described in Section B. Limits Of Insurance, 3. Damage To Premises Rented To You of this endorsement.

## 4. Supplementary Payments

Under Section I - Supplementary Payments - Coverages A and B:

a. Paragraph 1.b. is replaced by the following:

Up to the limit shown in Section B. Limits Of Insurance, 4.a. Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

 Paragraph 1.d. is replaced by the following: All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the limit shown in Section B. Limits Of Insurance, 4.b. Loss Of Earnings of this endorsement per day because of time off from work.

## 5. Medical Payments

Section I - Coverage C - Medical Payments, 2. Exclusions, a. Any Insured is replaced by the following:

## a. Any Insured

To any insured, except:

- (1) A "volunteer worker"; or
- (2) A student in training, medical director or administrator who is providing services on your behalf.
- 6. 180 Day Coverage For Newly Formed Or Acquired Organizations

Section II - Who Is An Insured is amended as follows:

Subparagraph a. of Paragraph 3. is replaced by the following:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

### 7. Waiver Of Subrogation

Section IV - Commercial General Liability Conditions, 8. Transfer Of Rights Of Recovery Against Others To Us is amended by the addition of the following:

We waive any right of recovery against any additional insured under this endorsement, because of any payment we make under this endorsement, to whom the insured has waived its right of recovery in a written contract, written agreement, written permit or written authorization. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such additional insured prior to loss.

- 8. Automatic Additional Insured Specified Relationships
  - a. The following is added to Section II -Who Is An Insured:
    - (1) Any person(s) or organization(s) described in Paragraph 8.a.(2) of this endorsement (hereinafter referred to as additional insured)

whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization or, only with respect to Paragraph 8.a.(2)(i) of this endorsement, an oral agreement or contract.

(2) Only the following persons or organizations are additional insureds under this endorsement, and insurance coverage provided to such additional insureds is limited as provided herein;

#### (a) Managers Or Lessors Of Premises

The manager or lessor of a premises leased to you you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by you or those acting on your behalf in connection with the ownership, maintenance or use of that part of the premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

- (i) Any "occurrence" which takes place after you cease to be a tenant in that premises;
- (ii) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

## (b) Lessor Of Leased Equipment

Any person(s) or organization(s) from whom you lease equipment you are required per Paragraph 8.a.(1) of this endorsement to provide insurance. Such person(s) or organization(s) are insureds only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your

maintenance, operation or use of equipment leased to you by such person(s) or organization(s). A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends. However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

## (c) Vendors

Any person or organization (referred to below as vendor) you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, but only with respect to liability for "bodlly injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

- (i) The insurance afforded the vendor does not apply to:
  - 1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement:
  - Any express warranty unauthorized by you;
  - Any physical or chemical change in the product made intentionally by the vendor;
  - Repackaging, except when unpacked solely for the purpose of in-

- spection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- Any failure make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products:
- 6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- 7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- 8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
  - a) The exceptions contained in Paragraphs (c)(i)4) or 6) of

- this endorsement; or
- b) Such inspections, adjustments, tests or servicing the vendor has agreed to make or normally undertakes to make in the usual course of business. in connection with the distribution or sale of the products.
- (ii) This insurance does not apply to any insured person or organization:
  - From whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products; or
  - When liability included within the "products-completed operations hazard" has been excluded under this Coverage Part with respect to such products.
- (d) State Or Governmental Agency Or Subdivision Or Political Subdivision -Permits Or Authorizations

Any state or governmental agency or subdivision or political subdivision you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, subject to the following additional provision:

This insurance applies only:

(i) With respect to the following hazards for which the state or governmental agency or subdivision or political

subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

- existence. maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances. coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
- The construction, erection or removal of elevators; or
- The ownership, maintenance or use of any elevators covered by this insurance.
- (ii) With respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision issued, in writing, a contract, agreement, permit or authorization.

However, with regard to (d)(ii) above, this insurance does not apply to:

- 1) "Bodily injury",
   "property damage"
   or "personal and
   advertising injury"
   arising out of operations performed
   for the federal
   government, state
   or municipality; or
- "Bodily injury" or "property damage" included within the "productscompleted operations hazard".

## (e) Mortgagee, Assignee Or Receiver

Any person or organization you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, but only with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of the premises by you. However, this insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

## (f) Grantor Of Franchise

Any person or organization you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, but only with respect to their liability as the grantor of a franchise to you.

## (g) Owners, Lessees Or Contractors

Any person or organization you are required per Paragraph 8.a.(1) of this endorsement to provide Insurance, but only with respect to liability for "bodily injury," "property damage" or " personal and advertising injury" caused, in whole or in part, by:

- Your acts or omissions;
- The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured when required by a written contract.

With respect to the insurance afforded to these additional insureds, the following exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

 All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

## (h) Controlling Interest

Any person or organization you are required per Paragraph 8.a.(1) of this endorsement to provide insurance, but only with respect to their liability arising out of:

- (i) Their financial control of you; or
- (ii) Premises they own maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

## (i) Benefactors Or Grantors

Any person or organization you are required per Paragraph 8.a.(1) above to provide insurance, but only with respect to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

- (i) Their providing financing or funding to you; or
- (ii) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- (3) The insurance afforded to additional insureds described in Paragraph 8.a.(1) of this endorsement:
  - (a) Only applies to the extent permitted by law;
  - (b) Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
  - (c) Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.
- b. With respect to the insurance afforded to the additional insureds described in Paragraph 8.a.(1) of this endorsement, the following is added to Section III Limits Of Insurance:

The most we will pay on behalf of the additional insured is the amount of insurance:

- (1) Required by the written contract, written agreement, written permit or written authorization described in Paragraph 8.a.(1) of this endorsement. For the purpose of determining the required amount of insurance only, we will include the minimum amount of any Umbrella liability or Excess Liability coverage required for that additional insured in that written contract, written agreement, written permit or written authorization; or
- (2) Available under the applicable limits of insurance:

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

c. Section IV - Commercial General Liability Conditions is amended to include the following:

## Automatic Additional Insured Provision

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising Injury" offense is committed:

- (1) During the policy period; and
- (2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph 8.a.(1).
- d. Section IV Commercial General Liability Conditions is amended as follows:

Condition **4.** Other Insurance is amended to include:

## Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured per Paragraph 8.a.(1) of this endorsement provided that:

- The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract, agreement, permit or authorization described in 8.a.(2) of this endorsement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

## 9. Property Damage To Borrowed Equipment

a. The following is added to Exclusion
 2.j. Damage To Property under Section I - Coverage A - Bodily Injury
 And Property Damage Liability:

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

 With respect to the insurance provided ed by this section of the endorsement, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits shown in Section B. Limits Of Insurance, 9, Property Damage To Borrowed Equipment of this endorsement with respect to coverage provided by this endorsement, These limits are inclusive of and not in addition to the limits being replaced, The Limits of Insurance shown in Section B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought; or
  - (c) Persons or organizations making claims or bringing "suits".

## (2) Deductible Clause

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount shown in Section B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment of this endorsement. The limits of insurance will not be reduced by the application of such Deductible Amount.
- (b) Section IV Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit, applies to each claim or "suit" irrespective of the amount.
- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

## 10. Employees As Insureds - Specified Health Care Services

Paragraph **2.a.(1)(d)** under Section II - Who Is An Insured does not apply to:

Your "employees" who provide professional health care services on your behalf as a duly licensed nurse, emergency medical technician or paramedic in the jurisdiction where an "occurrence" or offense to which this insurance applies takes place.

#### 11. Broadened Notice Of Occurrence

Paragraph a. of Condition 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit under Section IV - Commercial General Liability Conditions is replaced by the following:

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This requirement applies only when the "occurrence" or offense is known to any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or offense.

#### 12. Nonowned Aircraft

The following is added to Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I - Coverage A - Bodily Injury And Property Damage Liability:

This exclusion does not apply to an aircraft you do not own, provided:

- a. The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
- **b.** The aircraft is rented with a trained, paid crew; and
- c. The aircraft does not transport persons or cargo for a charge.

#### 13. Bodily Injury Redefined

**Section V - Definitions, 3.** "Bodily injury" is replaced by the following:

"Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

## 14. Expected Or Intended Injury Redefined

The last sentence of Exclusion 2.a. Expected Or Intended Injury under Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

## 15. Former Employees As Insureds

The following is added to Paragraph 2. under Section II - Who Is An Insured:

Each of the following is also an insured:

Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties related to the conduct of your business.

#### 16. Broadened Who Is An Insured

- Section II Who Is An Insured, Paragraph 2. is amended to include:
  - Each of the following is also an insured:
    - a. Your officials, trustees, board members, insurance managers, medical directors and administrators while acting within the scope of their duties as such.
    - b. Your students in training and "not for profit members", but only with respects to their liability for duties or activities they perform on your behalf.
    - c. Your "independent contractor" but only with respects to their liability for services provided to your "client".
- Section IV Commercial General Liability Conditions, 4. Other Insurance is replaced by the following:

#### 4. Other Insurance

This insurance is excess over any other valid and collectible insurance, including deductible, or agreement of indemnity available to the "independent contractor", whether primary, excess, contingent or on any other basis. Other valid and collectible insurance includes, but is not limited to, policies or insurance programs purchased or established by or on behalf of the "independent contractor" to insure against liability arising from activities of the "independent contractor", whether primary, excess, contingent, or on any other basis.

## Section V - Definitions is amended to include:

- "Independent contractor" means a social service professional who you do not classify as an "employee", and to whom you refer "clients" or who provide services to your "clients" on your behalf. An "independent contractor" does not include those performing construction, weatherization, maintenance and related services.
- "Not for profit members" means a person who is a member of a not-for-profit organization, including clubs and churches, who receives no financial or other compensation.

## 17. Replacement Of Customers Keys Or Locks

Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, j. Damage To Property, (4) is replaced by the following:

(4) Personal property in the care, custody, or control of an insured.

However, this exclusion does not apply to the replacement of keys, adjustment of locks to accept new keys, or if required, replacement and installation of locks, or the hiring of temporary security services as a result of you or your "employees" losing keys on your customer's premises.

- (a) The most we will pay is limited as described in Section B. Limits Of Insurance, 17. Replacement Of Customers Keys Or Locks of this endorsement.
- (b) Our obligation to pay damages on your behalf applies only to

the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in Section B. Limits Of Insurance, 17. Replacement Of Customers Keys Or Locks of this endorsement. The limits of insurance will not be reduced by the application of such deductible amount.

## 18. Limited Employee Criminal Defense Expense Coverage

#### a. Coverage

We will pay defense costs incurred by your medical director or administrator for criminal proceedings arising solely from acts in his or her capacity as medical director or administrator for you. However, you must have a prior written agreement with the medical director or administrator whereby you agree to pay the medical director or administrator for such defense costs, and the written agreement must include a provision for repayment by the medical director or administrator of defense costs in the event of a conviction or plea of guilty.

#### b. Limits Of Insurance

- (1) The Limits of Insurance shown in Section B. Limits Of Insurance, 18. Limited Employee Criminal Defense Expense Coverage of this endorsement is the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims, indictments made or criminal proceedings brought; or
  - (c) Persons or organizations making claims or bringing criminal proceedings.
- (2) The Aggregate Limit shown in Section B. Limits Of Insurance, 18. Limited Employee Criminal Defense Expense Coverage of this endorsement is the most we will pay during the "coverage term" (policy period).
- (3) Subject to the limit described in (2) above, the Each Criminal Proceedings Limit shown in Section B. Limits Of Insurance, 18. Limited Employee Criminal Defense Expense Coverage of this endorsement is the most we will pay for covered defense costs

arising out of any one criminal proceeding.

## 19. Limited Assault Expense Coverage

- a. We will pay medical expenses for "bodily injury" sustained by any insured resulting from an "assault" committed:
  - (1) On premises you own or rent;
  - (2) On premises of a "client" who is In your care; or
  - (3) While you are traveling to or from those premises;

because of your operations, provided:

- The "bodily injury" takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within 60 days of the date of the "assault";
- (3) The injured person submits to examination, at our expense, by physicians of our choice, as often as we reasonably require; and
- (4) The actions of the injured person did not contribute in any way to the "bodily injury".
- b. We will make these payments regardless of fault. These payments will not exceed the applicable Limit of Insurance stated in Section B. Limits Of Insurance, 19. Limited Assault Expense Coverage. We will pay reasonable expenses for:
  - First aid administered at the time of the "assault";
  - (2) Necessary medical, surgical, xray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- c. We will pay for reimbursement for "property damage" to any insured's personal property sustained from an "assault" committed:
  - (1) On premises you own or rent;
  - (2) On premises of a "client" who is in your care; or
  - (3) While you are traveling to or from those premises;

because of your operations.

#### d. Exclusions

## Workers' Compensation And Similar Laws

We will not pay expenses to an insured if valid and collectible workers' compensation coverage is in place or is required under a workers' compensation or disability benefits law or similar law.

#### e. Limits Of Insurance

- (1) The Limits of Insurance shown in Section B. Limits Of Insurance, 19. Limited Assault Expense Coverage of this endorsement is the most we will pay regardless of the number of:
  - (a) Claims made; or
  - (b) Persons or organizations making claims.
- (2) The Aggregate Limit shown in Section B. Limits Of Insurance, 19. Limited Assault Expense Coverage of this endorsement is the most we will pay during the "coverage term" (policy period).
- (3) Subject to the limit described in (2) above, the Each Person Limit shown in Section B. Limits Of Insurance, 19. Limited Assault Expense Coverage of this endorsement is the most we will pay for all "bodily injury" and "property damage" arising out of any "assault" to any insured.

## f. Additional Definition

For this endorsement only, Section V - Definitions is revised to add the following definition:

"Assault" means:

- (1) Any willful attempt to inflict physical harm on an "employee" by someone other than another "employee" which results in "bodily injury"; or
- (2) Any willful attempt to inflict "property damage" on the personal property of an "employee" by someone other than another "employee".
- 20. Limited Rental Lease Agreement Contractual Liability Coverage
  - a. Section I Coverage A Bodily Injury And Property Damage Liability, 2. Exclusions, b. Contractual Liability is amended to include the following:

At your request, we will pay on your behalf damages arising out of "bodily injury" or "property damage" that you are obligated to pay by reason of the assumption of liability in a written contract or agreement, that is not an "insured contract", regarding the rental or lease of premises on behalf of your "client".

This insurance applies only to a rental or lease agreement.

 As respects Limited Rental Lease Agreement Contractual Liability Coverage, Section IV - Commercial General Liability Conditions, 4. Other Insurance is replaced by the following:

This insurance is excess over any other valid and collectible insurance, including deductible, or agreement of indemnity available to the "dient", whether primary, excess, contingent or on any other basis.

Other valid and collectible insurance includes, but is not limited to, policies or insurance programs purchased or established by or on behalf of the "client" to insure against liability arising from activities of the "client", whether primary, excess, contingent, or on any other basis.

- c. The Limits Of Insurance shown in Section B. Limits Of Insurance, 20. Limited Rental Lease Agreement Contractual Liability Coverage fix the most we will pay in any one "occurrence" regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought; or
  - (c) Persons or organizations making claims or bringing "suits".

## 21. Fellow Employee Coverage

Section II - Who Is An Insured is amended as follows:

Paragraphs 2.a.(1)(a) and 2.a.(1)(b) are replaced by the following:

- (1) "Bodily injury" or "personal and advertising injury":
  - (a) To you.

## 22. Personal and Advertising Injury Redefined

**Section V - Definitions, 14.** "Personal and advertising injury" is replaced by the following:

- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. Abuse of process;
  - d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - e. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - g. The use of another's advertising idea in your "advertisement";
  - Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - Discrimination, based on race, color, religion, sex, age or national origin, except when:
    - (1) Done intentionally by or at the direction of, or with the knowledge or consent of:
      - (a) Any insured; or
      - (b) Any "executive officer", director, stockholder, partner or member of the insured;
    - (2) Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sublease of any room, dwelling or premises by or at the direction of any insured; or
    - (3) Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

This coverage does not apply to fines or penalties imposed because of discrimination.

## 23. Voluntary Property Damage Coverage

 a. Section I - Coverages is amended to include the following:

## COVERAGE D - VOLUNTARY PROPERTY DAMAGE COVERAGE

- (1) Insuring Agreement
  - (a) We will pay the cost to repair or replace "property damage" to property of others arising out of operations incidental to your business when:
    - Damage is caused by you; or
    - Damage occurs while in your possession.

At your written request, we will make this payment regardless of whether you are at fault for the "property damage".

If you, at our request, replace, or make any repairs to, damaged property of others, the amount we will pay under Voluntary Property Damage Coverage will be determined by your actual cost to replace or repair the damaged property, excluding any profit or overhead.

Any payment we make under Voluntary Property Damage Coverage shall not be interpreted as an admission of liability by you or by us,

It shall be your duty, not our duty, to defend any claim or "suit" to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered.

- (b) This insurance applies to "property damage" only if:
  - The "property damage" takes place in the "coverage territory"; and
  - The "property damage" occurs during the policy period.

## (2) Exclusions

This insurance does not apply to "property damage" that would be

excluded by Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, except for j. Damage To Property, paragraphs (3), (4), (5) and (6), k. Damage To Your Product, and I. Damage To Your Work.

### b. Limits Of Insurance And Deductibles

For purposes of the coverage provided by Voluntary Property Damage Coverage, Section III - Limits Of Insurance is amended to include the following:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section B. Limits Of Insurance, 23. Voluntary Property Damage Coverage of this endorsement. These limits are inclusive of, and not in addition to, the limits being replaced. The Limits of Insurance shown in the Schedule fix the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought; or
  - (c) Persons or organizations making claims or bringing "suits".
- (2) Subject to (3) below, the Voluntary Property Damage Coverage Each Occurrence Limit of Insurance is the most we will pay for the sum of damages under Voluntary Property Damage Coverage because of all "property damage" arising out of any one "occurrence".
- (3) The Voluntary Property Damage Aggregate Limit of Insurance is the most we will pay for the sum of all damages under Voluntary Property Damage Coverage. This limit applies separately to each "coverage term" (policy period).

#### (4) Deductible Clause

(a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated for the applicable coverage in the Schedule. The limits of insurance will not be re-

- duced by the application of such Deductible Amount.
- (b) Section IV Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit, applies to each claim or "suit" irrespective of the amount.
- (c) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as has been paid by us.

#### c. Definitions

For purposes of Voluntary Property Damage Coverage only, the following definitions under Section **V** - Definitions are replaced by the following:

- 13. "Occurrence" means an incident, including continuous or repeated exposure to substantially the same general harmful conditions that result in "property damage".
- 17. "Property damage" means physical injury to tangible property. Electronic data is not tangible property, and "property damage" does not include disappearance, abstraction or theft.

As used in this definition, electronic data means information, facts or programs, stored as or on, created or used on, transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

### 24. Worldwide Liability Coverage Extension

A. The following is added to Section IV -Commercial General Liability Conditions:

#### **Expanded Coverage Territory**

 If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- 2. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Puerto Rico or Canada.
- 4. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

**B.** The following is added to Paragraph **4.b.(1)** under the **Conditions** section:

#### 4. Other Insurance

#### b. Excess Insurance

(1) This insurance is excess over:

- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) If the insured's liability to pay damages is determined in a "suit" brought outside the United States of America (including its territories and possessions), Puerto Rico or Canada; or
  - (ii) That is coverage required by law, regulation or other governmental authority in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada.

C. The following is added to Section IV - Commercial General Liability Conditions:

## Office Of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

D. The definition of "coverage territory" in the Definitions section is replaced by the following:

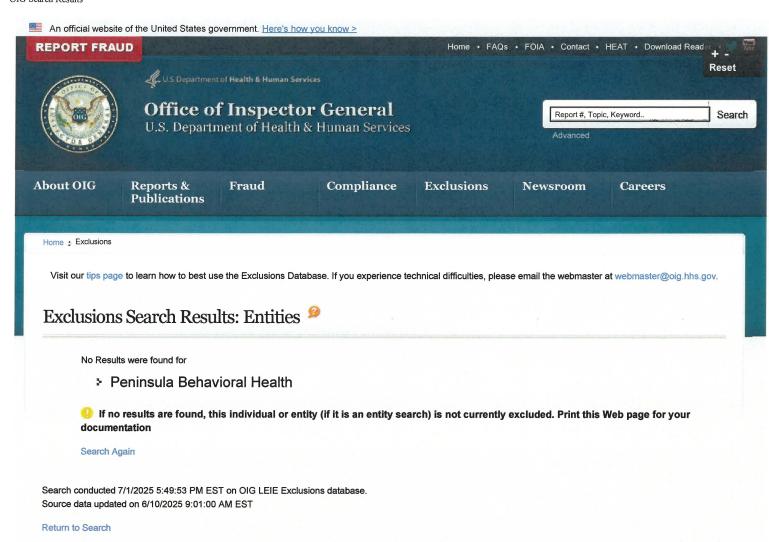
"Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

### 25. Client Defined

**Section V - Definitions** is amended by adding the following:

"Client" means a person or organization served by or utilizing the services of your organization.

		•			



About OIG	Reports & Publications	Fraud	Compliance	Recovery Act Oversight	Exclusions	Newsroom
About Us About the Inspector General Organization Chart Careers	All Reports & Publications Archives	Report Fraud  Medical ID Theft/Fraud Information  Medicaid Fraud Control Units - MFCUs Enforcement Actions State False Claims Act Reviews  Most-Wanted Fugitives	Accountable Care Organizations Advisory Opinions Compliance Guidance Corporate Integrity Agreements Open Letters Physician Education Provider Compliance Training RAT-STATS Safe Harbor Regulations Self-Disclosure Information Special Fraud Alerts, Bulletins, and Other Guidance	Accountability Objectives Audit Activities Investigative Activities Evaluation Activities Whistleblower Protection Related Links	Online Searchable Database LEIE Downloadable Databases Quick Tips Exclusions Authorities Monthly Supplement Archive Applying for Reinstatement Contact the Exclusions Program Frequently Asked Questions Special Advisory Bulletin	What's New News Releases Testimony & Speeches Video