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**THIRD AMENDMENT TO AGREEMENT
LUTHERAN COMMUNITY SERVICES NORTHWEST
Oregon Health Plan Services**

THIS THIRD AMENDMENT TO AGREEMENT ("**Amendment #3**") is made effective August 1, 2014 between **Yamhill County**, a political subdivision of the State of Oregon acting by and through its Family & Youth Division of the Department of Health and Human Services ("**County**") and **Lutheran Community Services Northwest (LCSNW)**, an Oregon non profit corporation, 605 SE Cesar E. Chavez Boulevard, Portland, Oregon 97214, Tax Identification Number 93-0386860 ("**Contractor**").

RECITALS:

A. County and Contractor are parties to that certain agreement dated as of October 10, 2012 (the "**Underlying Agreement**"), pursuant to which Contractor provides outpatient counseling and treatment services for persons suffering from mental disorders, who have insurance coverage under the Oregon Health Plan.

B. The Underlying Agreement was first amended on May 2, 2013 to add additional services to families with children age 0-19, ("**First Amendment**"). The Underlying Agreement was further amended on November 14, 2013. County and Contractor now desire to amend the Underlying Agreement upon the terms and conditions as more particularly set forth herein below.

C. Capitalized terms not defined herein shall have the meanings attributed to such terms in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth hereinbelow and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, County and Contractor, intending legally to be bound, hereby agree as follows:

1. Section 1 of the Underlying Agreement is hereby amended to extend the term through June 30, 2015, unless sooner terminated as provided in Section 7.

2. Section 3 of the Underlying Agreement is hereby amended to read in its entirety as follows: County and Contractor agree to comply with the rules and regulations of County, applicable state and federal regulations and all provisions of federal and state law relating to Contractor's performance of services under this Agreement, including but not limited to compliance with data submission specifications by entering data in the MOTS (Measures and Outcome Tracking System) Client Entry Data Collection application as specified in the Oregon Health Authority's (OHA) MOTS user guide located at: <http://www.oregon.gov/OHA/amh/Pages/reporting-reqs.aspx>. Billing documents must be received by County within 90 days after the date of service.

3. Section 6 of the Underlying Agreement is hereby amended to read in its entirety as follows:

A. **BASE COMPENSATION FOR BASIC SERVICES.** As compensation for performing duties required by Section 2, following receipt and approval of billing documents, Contractor shall receive a monthly payment of \$16,393 on or about the first of the month following the month of service, effective August 1, 2014. Client records must be maintained in MOTS as specified in the OHA MOTS user guide. Encounters for basic services in this section will be billed through routine business practice through a vendor arrangement with a third party administrator of County's choice, currently Performance Health Technology (PH Tech).

B. **EXCLUDED SERVICES.** Where Contractor is providing services under some other contract or funding source, Contractor shall not be compensated under this Agreement for services to children or families even though they might otherwise be eligible for OHP.

C. **ADJUSTMENT FOR FINAL PAYMENT.** Final payment for performing Basic Services described in Section 2 will be adjusted after June 30, 2015 based on actual reported services for the contract period and meeting OHP eligibility qualified diagnoses. However, in no event shall additional compensation exceed more than \$18,032 beyond the monthly payments. The calculation to determine the adjustment, if any, will be based on State of Oregon Medicaid FFS Procedure Codes and Reimbursement rates and standards in effect on the date of service for OHP eligible services. To maintain compliance with Medicaid regulation, compensation will be calculated using the lesser of Oregon Medicaid rates or Contractor's costs based on the use of the Unit Cost Calculator as developed by Dale Jarvis and used by MVBCN or an alternated method approved by the HHS Director or designee. PEO reporting is not eligible for reimbursement under this Agreement. The County shall deduct \$3.40 from each transaction to offset processing costs.

D. As compensation for performing the duties described in Exhibit A of Amendment #1 ("Exhibit A Services), item A, following receipt and approval of billing documents, Contractor shall receive a monthly payment of \$5,815 per month per FTE on or about the first of the month following the month of service. This contract begins with 1.0 FTE and will be reviewed each quarter beginning FY 2013-2014. If State or County forecasts indicate an increase in OHP funding will be available, County may increase FTE. Effective January 2014, 1.0 FTE is added. Effective August 15, 2014, 1.0 FTE is added and effective January 1, 2015 1.0 FTE is added. In cases of identified clients in common, Contractor will maintain client records and submit encounter data utilizing the County's electronic medical record system. All other client records must be maintained in MOTS as specified in the OHA MOTS user guide. Encounters for services to clients not identified in common in this section will be billed through routine business practice through a vendor arrangement with a third party administrator of County's choice, currently PH Tech.

Adjustment for final payment for performing the duties described in Amendment #1 Exhibit A, item A services will be adjusted after June 30, 2015 based on actual reported services for the contract period and meeting OHP eligibility qualified diagnoses. However, in no event shall additional compensation exceed more than

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\$22,388 beyond the monthly payments. The calculation to determine the adjustment, if any, will be based on State of Oregon Medicaid FFS Procedure Codes and Reimbursement rates and standards in effect on the date of service for OHP eligible services.

As compensation for performing the duties described in Exhibit A of Amendment #1 ("Exhibit A Services"), item D., following receipt and approval of billing documents, Contractor shall receive a monthly payment of \$8,197 per month per 1.0 FTE on or about the first of the month following the month of service. This contract begins with .5 FTE and will be reviewed each quarter beginning FY 2013-14. If State or County forecasts indicate an increase in OHP funding will be available, County may increase FTE. An additional 1.0 FTE will be added effective August 1, 2014 and January 1, 2015. Client records must be maintained in MOTS as specified in the OHA MOTS user guide. Encounters for services in this section will be billed through routine business practice through a vendor arrangement with a third party administrator of County's choice, currently PH Tech.

In the event the contractor has a vacancy for the skills trainer positions, County will pay a maximum of ½ month compensation until position is filled. Once position is filled, partial months will be prorated as of the new employee hire date. In the event that the contractor has a vacancy for the FTE for services to OHP members (19 and older) then no compensation will be given until filled. Services not in the Oregon Medicaid FFS or MVBCN New Solutions approved services will require approval by the HHS Administrative Manager. To maintain compliance with Medicaid regulation, compensation will be calculated using the lesser of Oregon Medicaid rates or Contractor's costs based on the use of the Unit Cost Calculator as developed by Dale Jarvis and used by MVBCN or an alternate method approved by the HHS Director or designee. PEO reporting is not eligible for reimbursement under this Agreement. The County shall deduct \$3.40 from each transaction to offset processing costs."

Adjustment for final payment for performing the duties described in Exhibit A of Amendment #1 ("Exhibit A Services"), item D services will be adjusted after June 30, 2015 based on actual reported services for the contract period and meeting OHP eligibility qualified diagnoses. However, in no event shall additional compensation exceed more than \$18,442 beyond the monthly payments. The calculation to determine the adjustment, if any, will be based on State of Oregon Medicaid FFS Procedure Codes and Reimbursement rates and standards in effect on the date of service for OHP eligible services.

Summary: Services under this section do not apply to Section 6C of the Underlying Agreement. In accordance with contract requirements with MVBCN, Contractor shall submit claims to County within 90 days of the date of service for routine claims. TPR claims or claims where there are complex billing problems may be submitted to County within 335 days in order for County to meet 365 day limit of State. Routine claims not received as described above will be denied. Should MVBCN or OHA set more stringent submission timelines during the duration of this contract, the new timelines will apply.

4. Exhibit A, of the Underlying Agreement Amendment #1 Section A is hereby amended to include: Contractor shall provide 2.5 FTE from August 1, 2014 to August 14, 2014; 3 FTE August 15, 2014 through December 31, 2014 and an additional 1.0 FTE beginning January 1, 2015 to provide medically necessary short term and intensive services to families in which children 0-19 enrolled in the Yamhill CCO or Open Card Oregon Health Plan and are at risk of out of home placement, are reuniting with families after out of home placement, or are experiencing disruptive placements in their foster or adoptive families.

5. Exhibit A, of the Underlying Agreement Amendment #1 Section D is hereby amended to include: Contractor shall provide 1.5 FTE August 1, 2014 through December 31, 2014 and an additional 1 FTE effective January 1, 2015 to provide medically necessary short-term outpatient family and individual therapy and case management to adults (19 and older) enrolled in the Yamhill CCO or Open Card Oregon Health Plan who have children enrolled in services within contractor children's services and/or parenting classes and other prevention activities provided by contractor with the community.

6. Ratification. Except as otherwise expressly modified by the terms of this Amendment #3, the Underlying Agreement shall remain unchanged and continue in full force and effect. All terms, covenants and conditions of the Underlying Agreement not expressly modified herein are hereby confirmed and ratified and remain in full force and effect, and, as further amended hereby, constitute valid and binding obligations of Contractor enforceable according to the terms thereof.

7. Authority. County and Contractor and each of the persons executing this Amendment #3 on behalf of County and Contractor hereby covenants and warrants that: (i) such party has full right and authority to enter into this Amendment #3 and has taken all action required to authorize such party (and each person executing this Amendment #3 on behalf of such party) to enter into this Amendment #3, and (ii) the person signing on behalf of such party is authorized to do so on behalf of such entity.

8. Binding Effect. All of the covenants contained in this Amendment #3 shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives and permitted successors and assigns.

9. Counterparts. This Amendment #3 may be executed in multiple counterparts, each of which shall be an original, but all of which shall constitute one and the same Amendment #3.

10. Recitals. The foregoing recitals are intended to be a material part of this Amendment #3 and are incorporated herein by this reference.

(Signature page to follow)

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed on the date indicated by their duly authorized officials, this Amendment #3 in duplicate, each of which shall be deemed an original on the date executed by all parties.

**LUTHERAN COMMUNITY
SERVICES NORTHWEST**



(signature)
Date: 7/28/14

DAVID DUEA
(printed name)

Title: President & CEO

Fed. Tax I.D. No: 93-038-6860

YAMHILL COUNTY, OREGON



ALLEN SPRINGER, Chair
Date: 8-14-14



SILAS HALLORAN-STEINER, Director
Dept. of Health and Human Services

APPROVED AS TO FORM

By: 

CHRISTIAN BOENISCH
County Counsel

Lutheran Community Services NW 2014-2015

Description	Total FTE per year	Rate	Annual Amount (full FTE)	Amount for contract period of 8/1/14 - 6/30/15
Children's services	2.00	8,196.50	196,716	180,323
Family Stabilization	4.00	5,815	279,120	223,878
Adult services	2.50	8,196.50	245,895	184,421
Children's services	Final payment adjustment 10%		19,672	18,032
Family Stabilization	Final payment adjustment 10%		27,912	22,388
Adult services	Final payment adjustment 10%		24,590	18,442
			\$ 793,904	\$ 647,484

Contract amount is adjusted for 11 month time frame and start dates as follows:

Family Stabilization	August 15 +1 FTE
Family Stabilization	January 1, 2015 +1 FTE
Adult services	January 1, 2015 +1 FTE