

OPERATING AGREEMENT

This Agreement (this “**Agreement**”) is entered into as of the 6th day of April, 2023 (the “**Effective Date**”) by and between the BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY, KANSAS (“**the County**”) and Bert Nash Community Mental Health Center, Inc., a Kansas not-for-profit corporation (“**Provider**”) (each “**a Party**” and collectively “**the Parties**”).

RECITALS

WHEREAS, County has constructed a facility located at 1000 W. 2nd Street, Lawrence Kansas, 66044 (the “**Facility**”) to enable the provision of treatment and recovery services and desires to support the delivery of mental health and substance use disorder (collectively “behavioral health”) services for residents of Douglas County, Kansas, and the surrounding area, through the operation and maintenance of a Crisis Intervention Center (the “**Center**”) consistent with K.S.A. 59-29c01 through 59-29c14; and

WHEREAS, Provider desires to provide behavioral health services at the Center as well as perform administrative services related to the operation of the Center; and

WHEREAS, this Agreement is intended to set forth the Parties’ respective obligations with respect to the operation of the Center.

TERMS AND CONDITIONS

NOW THEREFORE, it is agreed as follows:

1. Term of this Agreement. The Initial Term of this Agreement shall commence on April 6, 2023 and end on December 31, 2023 (the “**Initial Term**”), unless otherwise terminated in accordance with this Agreement. Provider shall be eligible for a presumptive additional one-year term (“**Presumptive Term**”) to run January 1, 2024, through December 31, 2024, provided that Provider has complied to the reasonable satisfaction of the County with the requirements of this Agreement and the Lease and Occupancy Agreement (the “**Lease**”) dated on or about hereof. The County shall inform Provider of Provider’s eligibility for the Presumptive Term by written notice at least sixty (60) days prior to the date that the Initial Term would expire. Following the Presumptive Term, the County shall have the option to renew this Agreement for up to two (2) additional one-year terms (each, a “**Successive Term**”). The County may exercise such option by written notice at least ninety (90) days prior to the date that the Initial Term, Presumptive Term, or any prior Successive Term would expire. (The Initial Term, Presumptive Term, and any Successive Term(s) are, collectively, the “**Term**”.) In the event the Parties need additional time to transition operation of the Center to a new operator after the Initial Term or any Presumptive or Successive Term, the Parties agree to negotiate in good faith a transition services agreement, if necessary. The renewal of this Agreement for one or more Successive Term(s) shall not require County to renew for any other Successive Terms. Unless otherwise agreed upon by the Parties in writing, the terms and conditions of this Agreement will remain the same during the Term, including for each Successive Term.

2. Operator Services.
 - a) Management of Center Operations. During the Term and subject to this Agreement, Provider hereby agrees to manage all non-clinical and clinical aspects of the Center's operations, including providing the management services (the "**Management Services**") to the Center as described on Exhibit A.
 - b) Clinical and Administrative/Ancillary Services. During the Term and subject to this Agreement, Provider hereby agrees to provide those items and services as described on Exhibit A as **Clinical Services** and **Administrative/Ancillary Services**.
 - c) The Management Services, Clinical Services, and Administrative/Ancillary Services set forth on Exhibit A and incorporated by reference herein collectively (the "**Services**"). Most of the Services will be provided at the Center; if necessary, Services that support the operations of the Center may be provided from other locations. Except as otherwise expressly provided in this Agreement, the Provider will determine the means, methods, and timing of providing the Services in Provider's reasonable discretion.
3. Affirmative Covenants of Provider. Provider covenants that it shall:
 - (a) Comply with the terms of all statutes, ordinances and regulations applicable to it and its operation of the Center, including provisions relating to the licensure of health care facilities.
 - (b) Comply with the terms and conditions set forth herein relating to the management, operation and maintenance of the Facility and the Center.
 - (c) Treat and schedule patients without regard to payor status.
 - (d) At all times, operate the Center as a Crisis Intervention Center ("**CIC**"), as required by K.S.A. 59-29c01 through 59-29c14 and applicable Kansas Department of Aging and Disability Services ("**KDADS**") regulation, unless otherwise approved in advance by the County.
 - (e) At all times, operate the Center as a Certified Community Behavioral Health Clinic ("**CCBHC**"), as developed by the Substance Abuse and Mental Health Services Administration ("**SAMHSA**") and administered by KDADS, unless otherwise approved in advance by the County.
 - (f) At all times, maintain enrollment with the Centers for Medicare and Medicaid Services ("**CMS**"), unless otherwise approved in advance by the County.
 - (g) At all times, maintain its Commission on Accreditation of Rehabilitation Facilities ("**CARF**") accreditation for the Center unless otherwise approved in advance by the County.

(i) Provide all core services for the Center directly (including without limitation the Management and Clinical Services set forth on Exhibit A and incorporated herein by reference) unless otherwise approved in advance by County.

(j) Remain active and in good standing with the State of Kansas Office of Secretary of State.

(h) At all times, operate the Center, deliver Services, and otherwise act in accordance with the requirements of the Crisis Intervention Center Grant Agreement (the “**Grant Agreement**”) entered into between KDADS and the County. The current version of the Grant Agreement between KDADS and the County is attached hereto as Exhibit F-1. Provider agrees to satisfy all requirements and deliverables of the Grant Agreement in strict compliance with the provisions of the Grant Agreement, insofar as those requirements and deliverables relate to Provider’s operation of the Center and are not matters within the exclusive purview of the County. Provider will continue to satisfy and comply with the terms of the Grant Agreement and this section in the event the Grant Agreement is amended, extended, or replaced by the County and KDADS. Provider will provide all required reporting, budgeting/funding records, auditing, access to records, and compliant financials in strict compliance with the Grant Agreement. At County’s option, Provider will furnish all required documents and reporting to the County not less than five (5) days in advance of the deadline specified in the Grant Agreement, or simultaneously to the County and KDADS by the deadline in the Grant Agreement or as otherwise required by KDADS.

4. Provider’s Personnel.

a) Provider shall utilize sufficient staffing levels as reasonably necessary to ensure that the Services are delivered in a safe, effective, and high-quality manner, in accordance with the applicable standard of care, Provider’s policies and procedures, and the requirements of this Agreement. Provider will furnish a written monthly staffing status update to County in the form incorporated by reference as Exhibit B. Provider represents and warrants that Provider has or will have sufficient Personnel available at the beginning of the Initial Term to provide the Services required at commencement of the Initial Term as set forth in Exhibit A.

b) Provider agrees to use its best efforts to adjust staffing levels as necessary and appropriate to consistently and competently render the Services throughout the Initial Term and any Presumptive Term or Successive Terms. Provider will bear the risk of any shortages in the labor pool for staffing needed to provide the Services. Provider’s failure or inability to meet a Key Performance Indicator (“**KPI**”) will not be excused due to Provider’s business decision to reduce or delay staffing. By way of illustration, if Provider makes the business decision to reduce its staff and this impacts its ability to satisfy the KPI related to wait times, lack of staffing will not excuse failure to meet the metric. The Parties acknowledge that BNC must provide safe care and treatment in the Center which requires the appropriate level of staffing. In the event of staffing reductions or delays that are caused by forces beyond the control of Provider (e.g., healthcare professional shortages), and if those external forces make it necessary for Provider to limit or

discontinue any Services at the Center, prior to any such limitation or discontinuance, Provider will collaborate with the County and the Parties must mutually agree on any limitations or discontinuance of Services, whether temporarily or permanent, before they are implemented at the Center.

5. Provider's Dedicated On-site Leadership Team for Center.

- a) At the beginning of the Initial Term, Provider will provide the Center a dedicated, on-site leadership team (the "**Leadership Team**") to include: one (1) full time equivalent (FTE) Medical Director held by a single psychiatrist; one (1) FTE Head of Center to be held by a single staff member; one (1) FTE Clinical Manager held by a single staff member; two (2) FTE Nurse Managers held by two (2) staff members; and one (FTE) Clinical Educator held by a single staff member.
- b) The Parties agree that the County will have meaningful engagement and consultation on the hiring of the Leadership Team for the Center. Provider agrees to County involvement in Leadership Team interviews including without limitation interviews for the Center's Medical Director and the dedicated Head of Center.
- c) When a vacancy in the Leadership Team occurs, Provider will promptly communicate such vacancy to County leadership along with a timeline for filling the vacancy. The communication will identify the individual to fill the vacancy on a temporary basis until a permanent replacement can be found. Provider will invite County leadership to participate in the interview process and provide feedback on any Leadership Team job descriptions prior to posting.
- d) Provider agrees to give County accessibility to the Leadership Team on an ongoing basis including without limitation accessibility to the Medical Director and Head of Center. Representatives from the Leadership Team shall: (1) participate in a crisis system steering committee; (2) participate in monthly meetings with County leadership and staff; (3) attend County Commission and other public meetings as requested; and (4) attend various work groups and committees on behavioral health and the crisis system as mutually agreed upon by the Parties including without limitation the CIT Council, Psychiatric Infrastructure Group, and the council, board, or other body to perform functions related to community behavioral health and substance use treatment as referenced in Exhibit A, Phase IV. The Parties shall mutually agree on which representative(s) from the Leadership Team is/are appropriate to attend the meeting, committee, or work group and otherwise comply with Section 13(c). The Parties anticipate that the Head of Center will attend the CIT Council and the Medical Director will attend the Psychiatric Infrastructure Group

6. Standards for Provider's Personnel.

- a) Provider will render the Services using Personnel who are appropriately trained and licensed/certified/credentialed by the applicable board or authority of the State of Kansas. Provider shall maintain credentialing and personnel files on all personnel

providing Services at the Center. Such files shall include, at a minimum, the following documentation:

- i. Verification of current licensure.
- ii. Evaluation of skill set to ensure safe treatment of patients.
- iii. Background check, including without limitation negative CMS exclusion check.
- iv. Proof of negative drug screen.
- v. Screening of immunizations and other health screens required pursuant to written Provider policy and procedures.
- vi. Confidentiality agreement acknowledging Personnel's responsibility for maintaining patient confidentiality.

Upon the request of the County, Provider shall furnish the County with proof of appropriate licensure/certifications/credentials for all Personnel who provide any of the Services.

- b) Provider's Personnel shall use that degree of learning, knowledge and skill ordinarily possessed and used by members of that profession under like circumstances at the time of the treatment, diagnosis and services. In the application of this learning, knowledge and skill, at all times Provider's Personnel must, at a minimum, use reasonable and ordinary care and diligence.

7. Licensure; Accreditation; Supervision. Provider shall be solely responsible for obtaining, renewing, and paying for any and all necessary permits, licenses, certifications, registrations, and/or approvals for the performance of the Services and shall furnish proof of such items to the County upon request. Provider represents and warrants that it is currently CARF accredited through August 31, 2025 across thirteen (13) domains. Provider further represents and warrants that three (3) of its existing domains are pertinent to the Services performed at the Center. Those domains include: (a) Crisis Stabilization – Integrated SUD/Mental Health, Adults; (b) Outpatient Treatment – Integrated SUD/Mental Health, Children and Adolescents; and (c) Outpatient Treatment – Integrated SUD/Mental Health, Adults. Provider shall diligently initiate accreditation by CARF as soon as Provider is eligible to seek accreditation but no later than within six (6) months of the beginning of the Initial Term for the following two (2) additional domains: (a) Crisis Intervention – Integrated SUD/Mental Health, Adults, Children and Adolescents and (b) Detox and Withdrawal Management – Adults. Provider shall maintain full CARF accreditation throughout the Initial Term and any Presumptive or Successive Terms. Provider shall be solely responsible for supervising, directing, and managing the performance of its Personnel in performance of the Services. The County assumes no authority, responsibility, or liability to direct, supervise, oversee, discipline, terminate, or otherwise manage the work or performance of Provider's Personnel.

8. Standards of Health Care. Provider shall ensure that the Center's operations meet the standard of health care in the community and comply with the written policies adopted by Provider. Provider shall be responsible for evaluating all quality control aspects of the Center's operations and implementing quality control programs which are designed to meet the applicable standards imposed by appropriate certifying or licensing agencies, including, without limitation, CARF, CMS, and KDADS and to bring about a high standard of health care in accordance with Provider's policies and procedures.

9. Compliance with Applicable Law. At all times during the Term of this Agreement, Provider shall ensure that the Center is managed and operated (a) in a manner consistent with professionally recognizable standards of health care applicable to CICs and (b) in compliance with the requirements of all laws, statutes, ordinances, regulations, and orders applicable to it and its management of the Center's operations and performance of the Services, including provisions related to the licensure of health care facilities.

10. Budgets.

- a) Initial Budgets. Provider will prepare in good faith operating budgets for the Initial Term and Presumptive Term reflecting in detail, reasonably acceptable to County, the anticipated revenues and expenses for the Initial Term and Presumptive Term, as well as the sources and uses of capital for growth in the Center and the Center expenses. Such Initial Budgets shall address and track financial and accounting issues regarding the Center in a manner that the County determines is reasonably necessary or appropriate. The budgets shall be prepared to reflect the County as the payor of last resort for the Services, Facility, Center, and any other costs associated with operation of the Center.
- b) Process for Succeeding Budgets. For any Successive Term, Provider will prepare in good faith an annual budget reflecting, in detail reasonably acceptable to the County, (i) the anticipated revenues and expenses for the Successive Term and (ii) the sources and uses of capital for growth in the Center and the Center's expenses. The budgets shall be prepared to reflect the County as the payor of last resort for the Services, Facility, Center, and any other costs associated with operation of the Center. Provider shall present the proposed budget for the Successive Term to the County for review by April 1 of the preceding fiscal year or as otherwise requested by the County, and shall thereafter present any proposed modifications to be incorporated into the proposed final budget no later than the date reasonably determined by the County and communicated to Provider. All proposed budgets and proposed modifications thereto shall be subject to the reasonable approval by the County; provided, however, such approval shall not limit or modify the County's rights stated elsewhere in this Agreement. Provider will respond promptly to requests for information or modifications in connection with any proposed budget submitted to the County. If Provider receives written notice of budget disapproval, Provider shall submit a revised proposed budget to the County for approval in the manner set forth above. In the event the County and Provider are unable to finalize a budget by the beginning of the fiscal year, until it is finalized, the budget from the prior year will be deemed to be adopted as the budget for the current year.

- c) Budget Variance. After a budget is approved, Provider may request County approval of specific budget exceptions or amendments (collectively, the “Approved Budget Variance”) to address changed circumstances, the approval process of which shall be the same as for the proposed budget; however, any Approved Budget Variance shall be subject to the final approval of the County prior to being adopted.

11. Reimbursement for Services; Compensation.

(a) Provider will bill for the Services at fees established in accordance with Provider’s fee schedule. Provider will use its best efforts to collect for Services provided from applicable third-party reimbursement (payor) program(s), including but not limited to Medicaid, private health insurance companies, health maintenance organizations, preferred provider organizations, or Medicare (each a “**Reimbursement Program**”). Provider shall seek reimbursement for the Services from the applicable Reimbursement Program. Provider will additionally seek reimbursement from the patient/client for any amounts not covered by a Reimbursement Program, e.g., co-insurance, deductibles, or co-pays in accordance with the patient’s Reimbursement Program. In the case of self-pay, uninsured, or underinsured patients, they will be offered Services in accordance with Provider’s financial hardship policy and sliding fee schedule. Provider will take all necessary and reasonable actions to seek full payment from the Reimbursement Program and/or patient/client, including but not limited to pursuing appropriate appeals of denials or reductions in claims. Provided, however, that Provider may not require self-payment from a patient/client if making said payment would cause the patient/client extreme financial hardship. Provided further, that no patient/client will be denied Services on account of that patient/client’s lack of coverage by a Reimbursement Program or inability to pay.

(b) County will provide funding to Provider as follows:

- i. County Funding to Provider. County will provide funding to Provider for the Services in the amounts and at the frequency as provided in Exhibit C to this Agreement, incorporated herein by reference.

- ii. Funds from State of Kansas. With the exception of Medicaid reimbursements directly received by Provider for CCBHC services, funds disbursed by the State of Kansas, including any of its agencies, to support the Center shall be paid directly to County for state fiscal years 2023 and 2024. The County will disburse said funds to Provider in such amounts and at such intervals as specified by the terms and conditions of said State funding, if applicable, or in County’s sole discretion, if not specified by the State of Kansas. Notwithstanding the foregoing, Provider agrees to submit to County line-item invoices in a format agreeable to County on or before the 10th of the month to support the expenses incurred by Provider in the previous month consistent with the expenses allowed for reimbursement in the Grant Agreement attached hereto and incorporated by reference as Exhibit F-1. The County will review and process any undisputed invoice for payment on or before the 20th of the month. Provider agrees to reasonably cooperate with any questions or requests for clarification raised by County or KDADS related to a particular item or expense in order to support reimbursement under the Grant Agreement. The Parties agree that the County can claw back or set off against future payments to Bert Nash any amounts denied by KDADS as reimbursable under the Grant Agreement. The Parties agree

to act in good faith and cooperate with each other and the State of Kansas to effectuate the terms and intent of this Section.

iii. Cap on County Funding. The funding amounts set forth on Exhibit C are the maximum amounts of funding that County will provide to Provider pursuant to this Agreement during each applicable time period. For the sake of clarity, County may, in County's discretion, provide other funding to Provider, in Provider's capacity as the Douglas County Community Mental Health Center, for services and activities not covered by this Agreement. Provided further, funds received from the State of Kansas and disbursed to Provider pursuant to Section 11(b)(ii) shall not be included in the cap on County funding as set forth in this Section 11.

(c) At all times, including in connection with submission of any invoices for the Services, Provider shall comply with state and federal privacy laws, including but not limited to HIPAA and Chapter 42 of the Code of Federal Regulations (CFR) Part 2. In the event of a dispute between the Parties regarding payment for the Services, the Parties shall work together in good faith to resolve each dispute, and Provider shall furnish to the County such information as permitted by federal and state law to facilitate a resolution of each dispute.

12. Additional Compensation to Provider; Cessation of Services. Except as provided in Section 11 of this Agreement, County shall have no obligation to pay any compensation to Provider or Provider's Personnel, including but not limited to wages, employee benefits, on-call time, overtime, taxes, insurance premiums, travel, education, or any other cost or expenditure that Provider incurs in connection with this Agreement.

13. Cooperation.

(a) Provider agrees to work in good faith to promptly address any problems or issues that arise in the performance of the Services.

(b) Provider shall maintain and follow an established grievance policy that meets the reasonable expectations of the County, KDADS and CARF accreditation requirements. Provider shall promptly and thoroughly investigate and resolve, to the extent possible, any and all complaints, incidents, and accidents in connection with the Services. As permitted by applicable law, and in accordance with Section 21 of this Agreement, Provider and County agree they shall promptly notify the other of any complaints, incidents, and accidents of which they become aware and will keep the other apprised, to the extent possible, of any resolution to such complaints, incidents, and accidents.

(c) Provider and County shall mutually ensure that their appropriate representatives attend meetings as reasonably required by the other to discuss, evaluate, and coordinate delivery of the Services and their respective performance under this Agreement.

(d) Provider shall prepare and distribute, or arrange for preparation and distribution of, patient satisfaction reports and such other reports as are reasonably necessary or reasonably requested by County.

14. Service Metrics; Quality and Quantity of Services.

(a) Performance Standards. Provider, in providing the Services, shall at all times meet or exceed the requirements established by the Substance Abuse and Mental Health Services Administration (“SAMHSA”) for delivery of services by a Certified Community Behavioral Health Clinic (“CCBHC”), the Kansas Department for Aging and Disability Services (“KDADS”) for delivery of services by a Crisis Intervention Center (“CIC”), and CARF accreditation. In performing the Services, Provider shall (a) act in good faith and with reasonable diligence, (b) perform all duties required of it so that the Center may be operated on a fiscally prudent basis, and (c) utilize the skills of its Leadership Team and Personnel to operate the Center in a reasonably economical and efficient manner and devote the same time and energy to such management as it does to other services it provides as a community mental health center.

In addition, Provider shall meet the following standards in delivery of the Services:

i. Initial Term. During the Initial Term, in providing the Services, Provider shall meet or exceed the standards set forth on Exhibit D to this Agreement, incorporated herein by reference.

ii. Presumptive Term; Successive Term. During any Presumptive or Successive Term, in providing the Services, Provider shall meet or exceed the standards set forth on Exhibit E to this Agreement, incorporated herein by reference.

iii. KDADS Specific Requirements. During the Initial Term and any Presumptive or Successive Term, in providing the Services, Provider shall meet or exceed the standards set forth on Exhibit F.

15. Key Performance Indicators; Tracking; Reporting. Provider shall collect data and report to County regarding each Key Performance Indicator (“KPI”) set forth on Exhibit G to this Agreement, incorporated herein by reference. Provider shall report accurate and up-to-date information to the County concerning each KPI in the manner and frequency specified in Exhibit G to this Agreement. The Parties agree that satisfaction of KPIs is a condition of continued participation and funding under this Agreement. Failure to meet the KPIs will be considered a breach of this Agreement as set forth in Section 19. Provider will report the data to the County not less than monthly. The Parties agree that the KPIs may be updated from time-to-time as mutually agreed upon by the Parties.

16. Other Reporting. Provider will submit financial statements regarding the Services and Center operations to the County on a monthly basis. For sake of clarity, the County and Provider have an existing agreement for services not related to the Services or the Center that requires quarterly reporting of financial statements, which agreement is not superseded by this Section 16. Provider will furnish such other reports as may be reasonably be requested by the County including the written monthly staffing updates as set forth in Section 4. The Parties agree that County staff and the Center’s Leadership Team, which includes the Provider’s CEO and COO, will meet on a monthly basis to review the financial statements and reports.

17. Insurance.

(a) During the Term, Provider shall maintain workers compensation insurance in accordance with statutory requirements of the State of Kansas, which insurance shall cover all persons employed by Provider who provide any Services under this Agreement.

(b) During the Term, Provider shall maintain at its sole cost and expense policies of insurance providing coverage for its general liability and, where applicable, professional liability, with minimum limits of liability of One Million and No/100 Dollars (\$1,000,000) per occurrence and Three Million and No/100 Dollars (\$3,000,000) in the aggregate. Provider shall maintain at its sole cost and expense an excess liability coverage policy of insurance, in the aggregate amount of Five Million and No/100 Dollars (\$5,000,000). Provider shall require any independent contractor or other person with whom Provider contracts to provide any Services under this Agreement (other than employees of Provider, who must be covered by Provider's insurance) to obtain and maintain professional liability insurance covering any Services provided.

(c) During the Term, Provider, at Provider's sole expense, shall furnish and keep in full force and effect automobile liability insurance insuring the use of Provider's vehicles and all persons who operate Provider's vehicles in connection with the rendering of the Services.

(d) All insurance required under this Agreement shall be in coverages and amounts as specified herein, or as reasonably required by County, and issued by insurance companies authorized to issue such insurance policies in the State of Kansas. Provider shall cause County to be named as an additional insured on each policy of insurance required by this Agreement. Provider shall provide County with Certificates of Insurance showing that all insurance required under this Agreement is in force. Provider's failure to provide and/or continue in force such insurance shall be a default of this Agreement.

18. Indemnification. Provider shall defend, indemnify, and hold harmless the County, and its elected officials, officers, employees, agents, and representatives, from and against any demand, claim, loss, injury, cost, liability, damage, or attorney's fees of any nature whatsoever arising out of or alleged to be caused by any act or omission by Provider or any of its directors, officers, employees, representatives, contractors, suppliers, vendors, or agents, or anyone else affiliated or associated with Provider, in the performance of the Services, this Agreement, and/or any other activity conducted by Provider.

19. Default and Termination.

(a) A material breach by Provider of any term or condition of this Agreement shall be a default (an "Event of Default") of this Agreement. Upon the occurrence of an Event of Default, the County may provide written notice to Provider of said default (a "Notice of Default"). Any Notice of Default issued by the County will describe the default with reasonable particularity and specify a reasonable time for Provider to cure the default. If Provider fails to cure said Event of Default within the time specified for cure thereof, unless another time frame is agreed upon by the Parties, the County may terminate this

Agreement, effective upon written notice to Provider or at other such time as may be specified by County. Failure or forbearance by the County to act upon a particular breach or default by Provider shall not be deemed a waiver or acquiescence concerning future breaches or defaults.

(b) Upon termination of this Agreement, if Provider is occupying and/or utilizing the Facility, Provider shall immediately vacate the Facility, remove all of Provider's Personnel and personal property from the Facility, and immediately surrender possession of any and all portions of the Facility to the County. If Provider fails to do so, the County may immediately re-enter and take possession of the Facility and remove Provider and all persons and with all personal property found therein by any lawful means.

(c) Notwithstanding anything to the contrary above, in the event that an Event of Default creates or is reasonably anticipated to create a risk to human life, health or safety, County may immediately terminate this Agreement and exercise all rights provided for herein, including but not limited to taking immediate possession of the Facility and taking such other actions as lawful and appropriate under the circumstances.

(d) Upon the occurrence of an Event of Default, the County, in addition to any other rights and remedies that it may have at law or equity, will be entitled to recover from Provider all damages it incurs by reason of Provider's default.

(e) Provider's sole remedy for any breach of this Agreement by County shall be, at most, to recover amounts actually due and owing from County under section 11(b) of this Agreement. **County shall not be liable to Provider for any other amounts, including incidental, consequential, special, punitive, or any other damages or relief of any nature whatsoever. County shall not be liable to Provider under any other theory or cause of action for relief or recovery.**

(f) Either Party may immediately terminate this Agreement at any time if:

- i. The other Party (i) becomes insolvent or bankrupt; (ii) admits in writing its inability to pay its debts as they mature; (iii) makes an assignment for the benefit of creditors; (iv) applies for or consents to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or (v) institutes or becomes subject to any proceeding under the bankruptcy laws of the United States or any other insolvency law or law providing for the relief of debtors.
- ii. The Center or any portion thereof is damaged or destroyed by fire or other casualty and the County fails to repair, rebuild or replace any such damage or destruction and restore the Center to good operating condition within a period of time mutually agreed upon by the Parties;
- iii. Any federal, state or local license, certification or approval required to operate the Center cannot be obtained or is at any time suspended, terminated or revoked (subject to any grace or cure periods permitted or extended by the applicable federal, state, or local licensing authority).

- iv. The other Party or the Center is suspended, debarred or excluded from participation in state or federally funded health care programs.
- (g) Either Party may terminate this Agreement without cause and without penalty upon ninety (90) days' written notice.
- (h) Upon termination of this Agreement for any reason, each Party shall have the right to terminate immediately without cause the following agreement between the parties: Lease and Occupancy Agreement dated on or about the date hereof. In addition to any other early termination provisions provided for herein, each Party shall have the right to terminate this Agreement immediately without cause upon termination of the Lease and Occupancy Agreement.
- (i) As of the date of termination of this Agreement, neither Party shall have any further rights or obligations hereunder except: (a) for rights and obligations accruing prior to such date of termination, including payment to the Provider of all payment or indebtedness accrued to the date of such termination; (b) for rights and obligations arising as a result of any breach of this Agreement; or (c) as otherwise provided herein.

20. Regulatory Compliance. The Parties recognize and acknowledge that this Agreement and the underlying arrangements shall be subject to applicable state and federal laws, regulations and policies, including, but not limited to, those laws, regulations, and policies pertaining to Medicare and Medicaid reimbursement, physician referrals and anti-kickback prohibitions, including but not limited to fraud and abuse and the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320d ("HIPAA"). If at any time either Party determines in good faith, based upon an opinion of legal counsel satisfactory to both Parties, that there is a significant risk that any of the terms or conditions of this Agreement violates such laws, regulations, or policies (as may be amended from time to time), then at such Party's request, the Parties shall negotiate in good faith to amend this Agreement in order to conform with applicable law. If the Parties are unable to agree on how to amend the Agreement within thirty (30) days of the start of such negotiations, either Party may terminate this Agreement by providing written notice to the other Party of such termination (provided that nothing herein shall be construed to the Parties of any obligations or payments accruing prior to the date of termination)

21. Privacy Rights and Protections. The Parties acknowledge that the Parties are subject to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which regulates the use and disclosure of Protected Health Information ("PHI") held by "covered entities," and Chapter 42 of the Code of Federal Regulations (CFR) Part 2 ("Part 2"), which applies to certain substance use disorder treatment facilities. The Parties agree to comply with HIPAA and Part 2 at all times and to advise the other concerning procedures and protocols to maintain compliance with HIPAA and Part 2 at all times.

22. No Referral Obligation. The Parties agree that no provision of this Agreement shall be construed to induce or encourage the referral of patients or the purchase of healthcare services or supplies. No payment under this Agreement is in return for the referral of patients to the Center. The Parties expressly acknowledge that the terms of this Agreement, including terms relating to amounts payable hereunder, were reached in arms-length negotiations between the Parties, were

not determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the Parties, and are to the Parties' best knowledge consistent with fair market value for the services to be provided.

23. Kansas Act Against Discrimination. As required by K.S.A. 44-1030 for companies contracting with public agencies, and solely with respect to the rights and obligations created by this Agreement, Provider agrees as follows:

(a) Provider will observe the provisions of the Kansas Act Against Discrimination and shall not discriminate against any person in the performance of the work under the present contract because of race, religion, color, sex, national origin or ancestry.

(b) In all solicitations or advertisements for employees, Provider shall include the phrase, "equal opportunity employer," or a similar phrase to be approved by the Kansas Human Rights Commission.

(c) If Provider fails to comply with the manner in which Provider reports to the Kansas Human Rights Commission, in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, Provider shall be deemed to have breached this Agreement and it may be canceled, terminated or suspended, in whole or in part, by the County.

(d) If Provider is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the Kansas Human Rights Commission or a court which has become final, Provider shall be deemed to have breached this Agreement and it may be canceled, terminated or suspended, in whole or in part, by the County.

(e) Provider shall include the provisions of this Paragraph in any subcontract so that the provisions will be binding upon such subcontractor.

24. Access to Records; Retention. All records prepared pursuant to this Agreement shall be retained for a minimum of five years following termination of this Agreement, and said records shall be made available during regular business hours and upon reasonable notice to the County, KDADS, the Auditor of the Kansas Legislative Division of Post Audit, the Secretary of Health and Human Services, the U.S. Comptroller General, or their designees.

25. Independent Contractor Status. For all purposes, including but not limited to income tax withholding, payroll taxes, unemployment compensation, employment law, wage and hour law, workers compensation, and all other purposes, the Parties are at all times independent contractors. County and Provider are not joint employers, and no person with which either Party contracts or hires shall, under any circumstance, be considered an employee or direct contractor of the other. The Parties shall be solely responsible for the means, manner, and method of carrying out their respective obligations under this Agreement. Each Party shall be responsible for all matters related to federal and state payroll and withholding taxes, workers compensation insurance, salaries, fringe benefits, and all other matters of the personnel it contracts with or hires to provide the Services or carry out their respective obligations under this Agreement. The Parties agree to comply with all applicable laws and regulations in carrying out their individual and respective obligations under this Agreement.

26. Use of Name. During the term of this Agreement, no Party shall have the right to utilize the corporate name, trademarks, logos or symbols identifying any other Party, without the prior written consent of such other Party; provided, however, that the Parties agree that the Center shall be operated as the County's treatment and recovery facility; they will refer to the Center in branding and public facing comments and documentation that the Center is known as the "Douglas County Treatment and Recovery Center"; and otherwise hold out to the public through signage on the Center that the Center is known as the "Douglas County Treatment and Recovery Center."

27. Miscellaneous.

(a) Binding Effect; Assignment. This Agreement shall be binding upon the Parties hereto and their successors in interest. Neither Party shall assign this Agreement to any other party (or parties) without the prior written consent of the other Party. Failure to insist upon strict compliance with any provision hereof shall not be deemed a waiver of such provision or any other provisions hereof.

(b) Amendment; Governing Law. This Agreement may not be modified except by an agreement in writing, executed by the Parties hereto. This Agreement shall be governed in all respects, including validity, interpretation and effect by the laws of the State of Kansas.

(c) Change in the Law. In the event that there is a change in federal or state statutes, case law, regulations or general instructions; an adverse construction or interpretation involving any of the foregoing; or the adoption of new federal or state legislation, any of which are reasonably likely to materially and adversely affect the manner in which either Party may perform or be compensated for its services under this Agreement or which shall make this Agreement unlawful, the Parties shall immediately enter into good faith negotiations regarding a new service arrangement or basis for compensation for the services furnished pursuant to this Agreement that complies with the law, regulation, or policy and that approximates as closely as possible the economic position of the Parties prior to the change. If the Parties are unable to negotiate a new service agreement or basis for compensation for the services within thirty (30) days of the start of such negotiations, either Party may terminate this Agreement by providing written notice to the other Party of such termination.

(d) Entire Agreement. No Party is relying upon any promise or representation not expressly set forth in this Agreement. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior negotiations and understandings, whether written or oral. Provided, that the Parties are contemporaneously entering into a lease for the Center, which is not superseded by this Agreement. Provided further, that County and Provider have an existing agreement for services not related to the Center, which agreement is not superseded by this Agreement. In the event of any conflict between this Agreement and any other agreement between Provider and County with respect to the subject matter hereof, the terms of this Agreement shall control.

(e) Authority. Each Party represents and warrants that the person executing this Agreement on behalf of the Party has authority to do so, and that all necessary prior approvals and permissions have been obtained for said person to execute this Agreement on behalf of said Party.

(f) Severability. If any clause or provision of the Agreement shall be judged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision, but shall remain in full force and effect. Each provision of the Agreement shall be enforceable independently of any other provision of the Agreement and independent of any other claim or cause of action.

(g) No Exclusion. Each Party certifies that neither they, nor any of their officials, principals, trustees, directors, officers, employees, subcontractors, or agents appear on the Office of the Inspector General's List of Excluded Individuals and Entities or have not been otherwise sanctioned, barred, or excluded from participation in state or federal programs.

(h) Cash Basis Law. If, in the judgment of the Douglas County Administrator, sufficient funds are not appropriated for the County's responsibilities described in this Agreement, County may terminate this Agreement at the end of its current fiscal year. County agrees to give written notice of any termination due to lack of funding appropriation to Provider at least 30 days prior to the end of County's current fiscal year.

(i) No Third Party Beneficiaries. This Agreement is for the benefit of the named Parties only. There are no third party beneficiaries to this Agreement. No third party, including but not limited to LMH Health, DCCCA, Heartland RADAC, the State of Kansas, any client or patient of the Center, any employee or contractor of Provider, or anyone other person, entity, or other party of any nature whatsoever, shall have any rights or remedies pursuant to the Agreement.

(j) Notice. All notices, approvals or other communications required or permitted to be given by either Party to the other Party under this Agreement shall be in writing and shall be deemed to have been given if mailed, postage prepaid, by registered or certified mail, and addressed as follows:

If to County: Douglas County
1100 Massachusetts Street, Second Floor
Lawrence, Kansas 66044
Attn: County Administrator

With a copy to: John Bullock
Stevens & Brand LLP
900 Massachusetts St.
Lawrence, Kansas 66044

If to Provider: Bert Nash Community Mental Health Center, Inc.
200 Maine St., Suite A
Lawrence, Kansas 66044
Attn: CEO

With a copy to: Noreen Vergara
Husch Blackwell LLP
4801 Main Street
Kansas City, Missouri 64112

(k) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(l) Waiver of Breach. The waiver by either Party of any breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach or violation of the same or any other provision hereof.

(m) Survival. Except as otherwise expressly provided in this Agreement, all covenants, agreements, representations and warranties, express or implied, shall survive the execution of this Agreement, and shall remain in effect and binding upon the Parties until they have fulfilled all of their obligations hereunder. Any terms of this Agreement that must survive the expiration or termination of this Agreement in order to have their intended effect, shall survive the expiration or termination of this Agreement whether or not expressly stated in the Agreement.

(n) Satisfactory Completion of Due Diligence Items. Provider agrees to complete all due diligence items to the reasonable satisfaction of County on or before the beginning of the Initial Term. Those items include:

Leadership Team Staffing. The Parties agree that Provider will use best efforts to complete negotiations and hire a permanent onsite full time Medical Director and permanent onsite full time Director of Operations by July 17, 2023. A copy of the agreements will be furnished to the County once the agreements have been fully executed. In the event Provider is unable to complete negotiations and hiring for one or both positions, the Parties agree to meet to discuss the plan for staffing those positions on a permanent basis.

Pharmacy Contract. The Parties agree that Provider will have until close of business on April 7, 2023, to complete negotiations and get a fully executed Pharmacy contract in place. A copy will be furnished to the County once the contract has been fully executed

Care coordination agreement (Peer Support Contract). The Parties agree that Provider will have until May 5, 2023, to complete negotiations and get a fully executed Care Coordination Agreement (Peer Support Contract) in place. A copy will be furnished to the County once the contract has been fully executed. In the event Provider believes that it will not meet the May 5, 2023, deadline, Provider will provide County with a status report one (1) week prior to the May 5, 2023 deadline and the Parties agree to meet to discuss the plan for peer support going forward.

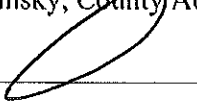
[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the day and year first written above.

COUNTY:

Board of County Commissioners of Douglas
County, Kansas

By: 
Sarah Plinsky, County Administrator

Date:  4/6/2023

ATTEST:


Jameson D. Shew, County Clerk

PROVIDER:

Bert Nash Community Mental Health Center, Inc.

By: 

Printed Name: Patrick Schmitz

Title: President / Chief Executive Officer

Date: 4/6/2023

Exhibit A
The Services

MANAGEMENT SERVICES

Management of Center Operations

During the **Initial Term, Presumptive Term,** and any **Successive Term,** Provider will provide the following Services at, and for the benefit of, the Center:

- a) Manage the Center within the general parameters of this Agreement.
- b) Train and supervise all personnel of the Center.
- c) Train law enforcement, EMS, and other first responders related to the types of Services offered at the Center and how to access those Services.
- d) Procure the furniture, equipment and supplies as may be necessary or appropriate for the proper operation of the Center and provision of the behavioral health services at the Center; provided, however, that the costs related to the procurement of such items cannot exceed the amount specifically allocated to expenses for furniture, equipment and supplies set forth in the budget (as defined below) without the prior written consent of the County.
- e) Keep and maintain the Center, improvements, furniture, furnishings, fixtures and other equipment therein and appurtenant thereto fully operational in good repair, condition and working order, normal wear and tear excepted, in accordance with the terms of the Lease.
- f) Cause the Center to be opened, properly staffed and operational during the hours set forth below under Clinical Services.
- g) Collect all co-pays, deductibles, coinsurances, and any other amounts payable by patients at the time of the patient visit to the Center or at a reasonable time period thereafter.
- h) Furnish the County with reports regarding Services furnished hereunder, as may be reasonably requested by the County.
- i) Attend and present reports regarding the services at such meetings of the County's staff and County Commission as may be reasonably requested by the County.
- j) Maintain or, as applicable, assist the County in maintaining certification under applicable federal and state statutes and regulations necessary to operate the Center.
- k) Assist in maintaining and improving relationships with patients at the Center.
- l) Maintain and manage, to the reasonable requirements of and in cooperation with the County, a patient satisfaction and complaint system for the services furnished in the Center.

- m) Assist in maintaining and strengthening relationships with community partners including without limitation LMH Health, DCCCA, Heartland RADAC, LDC Public Health, Heartland Clinic, the State of Kansas.
- n) Enter into and adhere to such other contracts, agreements and leases as may be necessary for the operation of the Center and as approved by the County.
- o) Recommend and assist in the development and implementation of appropriate operating procedures, systems and controls in the Center to ensure patient safety and the quality of the services being delivered in the Center.
- p) Recommend and assist in the establishment, monitoring and maintenance of procedures and policies for the timely creation, preparation, filing and retrieval of all patient records generated in connection with the provision of Services at the Center.

Limitations on Operations Authority

During the **Initial Term**, **Presumptive Term**, and any **Successive Term**, Provider shall obtain County's prior written approval for all decision-making with respect to the following matters as they relate to the Center:

- a) Lease, purchase or other acquisition of capital assets with a total purchase price (including the total amount of any committed lease payments) in excess of \$10,000 per incident and \$50,000 in the aggregate for each year of the Term; provided however, that such limitation shall not apply to leases, purchases or other acquisitions of capital assets which are pursuant to an approved budget or other approved County action that expressly contemplates the acquisition of such assets.
- b) Sale, lease, purchase or other acquisition of any real property, including any improvements thereon.
- c) Incurrence of any indebtedness other than accrued expenses, accounts payable, and similar borrowing incurred in the ordinary course of the Center's business.
- d) Making of any expenditure, or group of related expenditures, which would cause the total of such expenditures for any fiscal year to exceed the applicable budget line item (as modified by any Approved Budget Variance in Section 10(c)) by more than the greater of 10% of such line item or \$50,000.
- e) Entry, material modification or termination of any agreement concerning the Center.
- f) Granting of and any mortgage, lien or other encumbrance on real property or other assets related to the Center.
- g) Granting of any loans to third parties and the guaranteeing of obligations of third parties.
- h) Institution, prosecution or settlement of any legal proceedings involving the Center.

- i) Modification of or change in the scope of Services, licensure, or accreditation involving the Center.

CLINICAL SERVICES

General Description Scope of Clinical Services

During the **Initial Term, Presumptive Term**, and any **Successive Term**, Provider will provide the following Services at, and for the benefit of, the Center:

Provider will provide all Services required to be provided, and allowed to be provided, by the following:

- Kansas Crisis Center legislation (K.S.A. 59-29c01, et seq.) and regulations promulgated thereunder
- CARF accreditation
- Provisional private psychiatric hospital (PPH)/ eventual crisis intervention center (CIC) licensure
- Agreement(s) with KDADS (including any requirements between the County and KDADS related to Services provided at the TRC), including but not limited to the specific requirements outlined in Exhibit F of this Agreement.

Provider will provide all Services which are authorized by Kansas Crisis Center legislation, CARF accreditation, provisional PPH/eventual CIC licensure, and KDADS requirements, and as set forth in this Agreement.

Service Level of Acuity

During the **Initial Term, Presumptive Term**, and any **Successive Term**, Provider will provide the following service level of acuity at, and for the benefit of, the Center:

The Parties agree that the Center should accept all patients for evaluation and treatment despite their acuity to the greatest extent possible. The County desires a commitment from Provider that it will accept, evaluate, and treat all patients who present with high acuity behavioral health and/or substance use conditions, except in very limited cases when it is not medically or legally possible for the Center to provide care. Meanwhile, Provider affirms that it intends to accept, evaluate, and treat all patients despite their acuity to the greatest extent clinically and legally possible, but also desires to preserve the independent medical judgment of its doctors and other clinical specialists. The County acknowledges this desire on the part of Provider and acknowledges that it is not realistic to exact a commitment from Provider that it will treat every patient, in every circumstance, when the details of a patient's particular condition cannot be predicted with any certainty.

Accordingly, the Parties agree that Provider will use its best efforts to accept, evaluate, and treat all patients who present at the Center, despite their acuity. This means that Provider will accept patients for evaluation and treatment who are experiencing psychiatric and/or substance use emergencies which put them at risk for harm to self or others; are under the influence of drugs

and/or alcohol; are potentially violent or considered to be at risk of harm to themselves or others; may need restraint; or who otherwise are experiencing a wide range of acuity if it is clinically and legally appropriate to do so. Provider will evaluate and treat any patient that arrives via walk-in or first responders despite their acuity. Provider commits to treat all patients according to the standard of care. If Provider is unable to do so because a patient is medically unstable, Provider will arrange for a transfer to a medical setting where such patient can receive the appropriate treatment. Provider will make every effort to accept, evaluate, and/or treat patients. The medical professionals at Center will retain final authority to make determinations regarding the care and treatment of individuals. No individual who is accepted for evaluation and treatment will be denied appropriate access to services through and up to their discharge. Individuals will be accepted for evaluation and treatment if and when they present again with similar or additional symptomology or issues.

If during the patient's receipt of services at the Center it is determined by the attending physician that CIC services at the Center are not the appropriate level of care, Provider will coordinate transfer to a facility with the appropriate level of care and will be responsible for care of the patient until transfer.

As more specifically set forth below, Provider agrees to meet each stage of phasing for the Center as summarized on the Roadmap to Opening shared at the March 22, 2023 Douglas County Commission meeting incorporated by reference and attached hereto as Exhibit A-1.

Initial Term Phasing

During the **Initial Term**, the Parties agree that the following phasing will be achieved:

Phase I (Day 1) (anticipated opening date will be on or about April 10, 2023)

Effective on or before Day 1 of operations:

- Provisional PPH license in place.
- Center is open and receiving community walk-ins Monday – Friday, 8 a.m.-8 p.m. and Saturday-Sunday, (four hours between 12 p.m. – 4 p.m.).
- The Urgent Care Unit will be open 7 days a week regardless of holiday schedules.
- Patients in the Urgent Care Unit will be seen by a provider within one hour of arrival at the Center.
- Provider Intakes will be completed at the Center.
- Provider will have a written plan for follow-up communication and care coordination with outside providers.
- Patients seen at the Center are able to return to the Center for interim care as needed to follow up.
- Provider will have a mechanism in place to track and report time to follow up appointments.
- Provider will track and provide monthly data reports to the County, including: time to first appointment, referrals; and/or return/follow-up at Urgent Care Unit.
- Leadership Team hired, trained, and on-site at the Center.

- Other personnel necessary to operate the Center shall be hired, trained, and on-site at the Center.
- All ancillary and vendor contracts in place for operation of the Center, including but not limited to pharmacy, laboratory services, dining (food and nutrition), linen, facilities maintenance, peer support, and supplies.
- Budgets for FY 2023 and FY 2024 approved by County.
- Insurance coverage as required per Section 17 in place.
- Ability to document patient services in medical record prior to implementation of SmartCare EMR by Streamline.
- All Center policies and procedures updated and implemented.
- All signage posted informing patients on how to report a complaint or concern.
- CARF accreditation initiated no later than June 1, 2023; expansion of service location request submitted and diligently working for approval.

Phase II (begins within 30 days of opening but no later than May 25, 2023)

Effective as of Day 30 of operations or sooner:

- All phasing set forth in Phase I above.
- Law enforcement, EMS, and other first responder training completed.
- Implementation of SmartCare EMR by Streamline completed.
- Personnel necessary to operate observation unit and stabilization unit hired, trained, and on-site at the Center.
- Units are open 24/7; Facility is open 365 days a year.
- 23 hour observation unit (OBS) available 24/7 and adequately staffed to receive referrals from the LMH ED, Mobile Team, and LPD Co-responders.
- Short-term stabilization unit (STAB) supports voluntary patients available 24/7.
- OBS/STAB capacity at 5-10 patients.

Phase III (begins within the first 90 days of opening but no later than July 17, 2023)

Effective as of Day 90 of operations or sooner:

- All phasing set forth in Phases I and II above.
- Personnel necessary to operate OBS/STAB at levels for Phase III unit hired, trained, and on-site at the Center.
- OBS and STAB units are available 24/7 and adequately staffed to support patients on an involuntary hold.
- OBS and STAB units are available 24/7 and adequately staffed to receive referrals from the LMH ED, Mobile Team, LPD Co-responders as well as all Law Enforcement and EMS drop-offs to the TRC.
- OBS/STAB capacity at a total of 16 patients.
- Delivery of SUD-specific services, including, but not limited to, medication assisted detoxification services.
- Development of Center-specific patient handbook that informs patients on the available Services, patient rights, grievance procedure, etc.

Phase IV (begins within the first 6 months of opening)

- All phasing set forth in Phases I, II, and III above.
- If the County creates a council, board, or other body to perform functions related to community behavioral health and substance use treatment, including but not limited to the Center, Provider will participate and cooperate with such body in ways specified by the County. This body will not have a governance role over the Center but its purposes, among others, will be to seek consumer input, community feedback, public education and accountability.
- If the Parties mutually agree to participate in data reporting via ESSENCE, Provider will have EMR integration completed to facilitate and participate in such data sharing.
- CARF accreditation for the additional domains: (a) Crisis Intervention – Integrated SUD/Mental Health, Adults, Children and Adolescents and (b) Detox and Withdrawal Management – Adults.
- Submission of application for CIC license as soon as the State of Kansas finalizes the regulations and licensing process, or submission of other documentation to continue the current licensure so there is no lapse in license following expiration of the Provisional PPH license on August 3, 2023.

Quality Metrics and KPIs

During the **Initial Term**, **Presumptive Term**, and any **Successive Term**, the Parties agree that the Provider will meet or exceed the quality metrics and KPIs in the timeframes required as set forth and incorporated by reference in Exhibits D, E, F, and G.

ADMINISTRATIVE/ANCILLARY SERVICES

Effective as of Day 1 of operations, and during any **Presumptive Term** or **Successive Term**, Provider will be responsible for all Administrative Services including but not limited to the electronic medical record system (EMR), information technology, billing, human resources, licensure and accreditation, credentialing and recredentialing, appeals and grievances, facility and information security, quality management, revenue cycle management, accounting and financing, community promotion, education, and outreach, payor contracting, website, and patient/consumer portal, for operation of the Center. Provider will also be responsible for contracting with appropriate providers for laboratory services, pharmacy, dining and food service, linens, bilingual/translation services, and any and all other services and functions as appropriate to operate the Center and perform the Services.

During the **Presumptive Term** and any **Successive Term**, the Parties agree that all Services described under the **Initial Term Phasing** will continue to be provided without any phasing unless otherwise specified in this Agreement.

Exhibit A-1
Roadmap to Opening

Roadmap to opening

URGENT CARE UNIT OPEN - April 10

- Community walk-ins
 - Weekdays: 8 am - 8 pm
 - Weekends: Noon - 4 pm
 - Available 365 days a year
- Levels of services:
 - Triage/Assessments
 - Psychiatric med evaluations/prescriptions
 - Referrals
 - Initial treatment planning
 - Assessments
 - Coordination of care
- Community members return for follow-ups as needed

OBSERVATION & STABILIZATION UNIT OPEN - MAY 25

- Units are open 24/7; Building is open 365 days a year
- Accept referrals from LMH, Mobile Response Team, First Responders, & TRC Urgent Care Unit
- Capacity at 10 patients

OBSERVATION & STABILIZATION UNIT - JULY 17

- Capacity at 16 patients

OBSERVATION & STABILIZATION UNIT - OCT. 7

- Capacity at 24 patients

Exhibit A-1

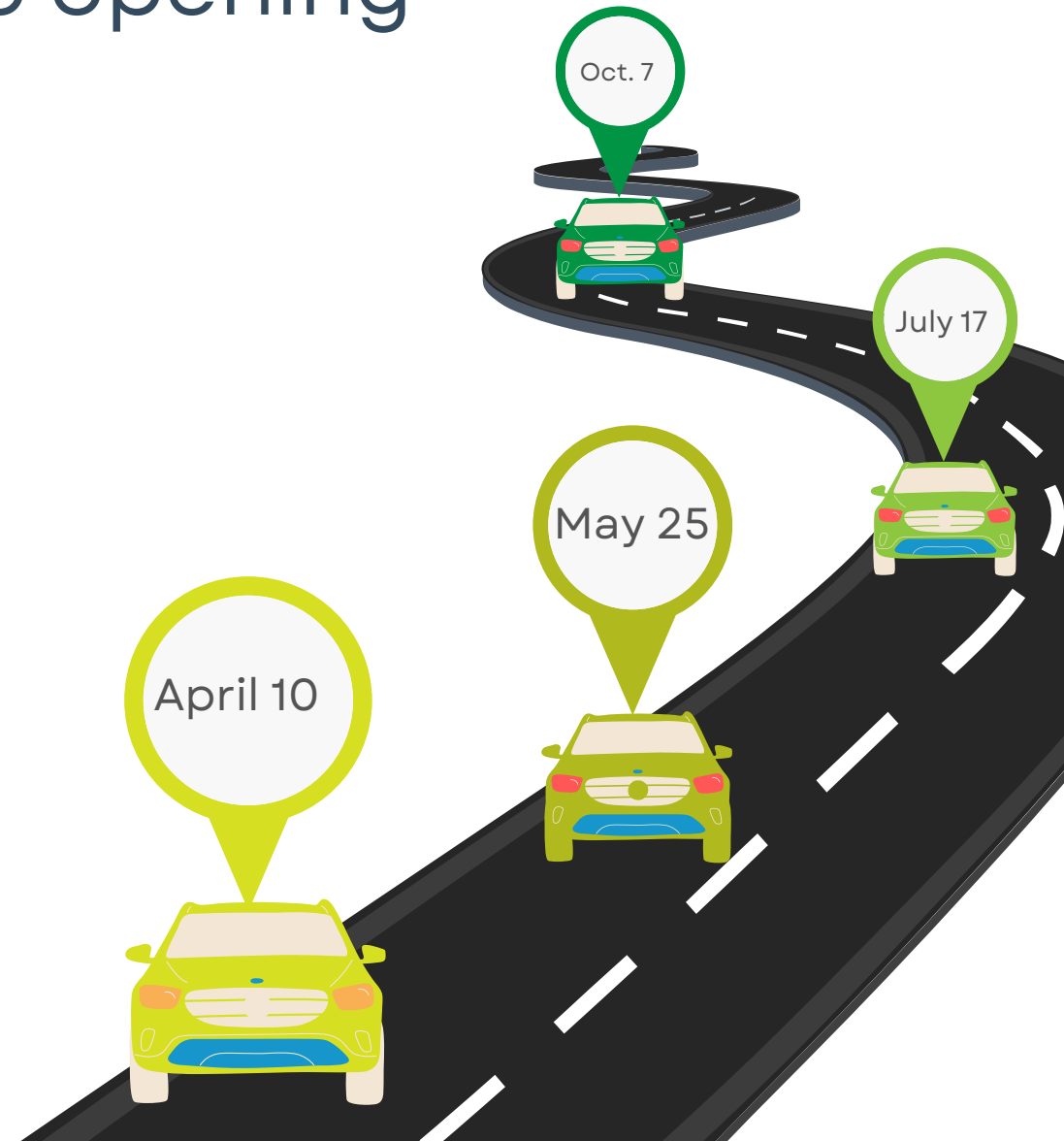


Exhibit B
Provider Monthly Staffing Update Grid

Exhibit C

County Funding to Provider

The County will provide funding to Provider as follows in Exhibit C.

Initial Term

During the Initial Term, and provided that Provider is not in breach of the Agreement or Lease, the County will provide funding to Provider for the Center operations in the aggregate amount of \$133,333.33 per month. Such payments will be made on or before the twentieth (20th) day of the month via check or ACH transfer; provided, however, the Parties agree that the first payment made in April 2023 will include the monthly payment of \$133,333.33 for January, February, March, and April 2023 (less the five percent (5%) holdback amount) as long as such payment does not violate KDADS requirements or otherwise negatively impact other funding sources for the Center. During the Initial Term, Provider will furnish monthly invoices to the County by the tenth (10th) day of the month following delivery of the Services. The Parties will engage in a true up or reconciliation of County funding as compared to actual revenues and expenses on a month-by-month basis, which means all invoices received by January 10, 2024. In case of a dispute, the Parties agree to work in good faith to resolve such dispute.

Of the \$133,333.33 monthly funding amount, the County will hold back five percent (5%) of County funds (\$6,666.67). Provider will be entitled to receive the holdback amounts at the end of the Initial Term only if Provider successfully performs the requirements of the Agreement, including, but not limited to meeting the KPIs and the Lease requirements. If Provider does not meet the contractual requirements of the Agreement and the Lease, Provider will forfeit the five percent (5%) holdback amount.

Presumptive Term; Successive Terms.

In any Presumptive Term or any Successive Term, the County funding to Provider will be made pursuant to monthly invoices submitted to the County by the tenth (10th) of the month following delivery of the Services. County will make payment to Provider within thirty (30) days of receipt of an undisputed invoice. In case of a disputed invoice, the County will pay the undisputed portion of the invoice within thirty (30) days of receipt and the Parties agree to work in good faith to resolve the disputed portion of the invoice.

Of the amount due under the invoice, the County will hold back five percent (5%) of County funds in the Presumptive Term; provided, however, the County may decide in its sole discretion to discontinue the hold back if the Agreement renews for any Successive Terms. In the Presumptive Term or Successive Term, Provider will be entitled to receive the holdback amounts at the end of the Presumptive Term or Successive Term only if Provider successfully performs the requirements of the Agreement, including, but not limited to meeting the KPIs and the Lease requirements. If Provider does not meet the contractual requirements of the Agreement and the Lease, Provider will forfeit the five percent (5%) holdback amount during the Presumptive Term or Successive Term. If the Provider successfully performs the requirements of the Agreement, the County will release the holdback funds no later than January 31 of the following year.

Annual Cap; No Funding Guarantee

The Parties agree that the County is the payor of last resort. Provider will use best efforts to exhaust other funding streams as outlined in Section 11 of the Agreement and all budgeting will reflect the County as the payor of last resort. The Parties will work together to maximize all other funding streams which may require flexibility with respect to the timing of the County's funding. The County's funding commitment is subject to a cap of \$1.6 million for the Initial Term. If the Agreement renews for the Presumptive Term, the County's funding commitment is subject to a cap of \$2.8 million. For any Successive Terms, the County's annual cap will be determined as part of the budgeting approval process set forth in Section 10. After the Initial Term, the County does not guarantee that Provider will be awarded a further contract for operation of the Center.

Exhibit D
Performance Standards, Initial Term

During the Initial Term, in Providing the Services, Provider shall meet or exceed the following performance standards:

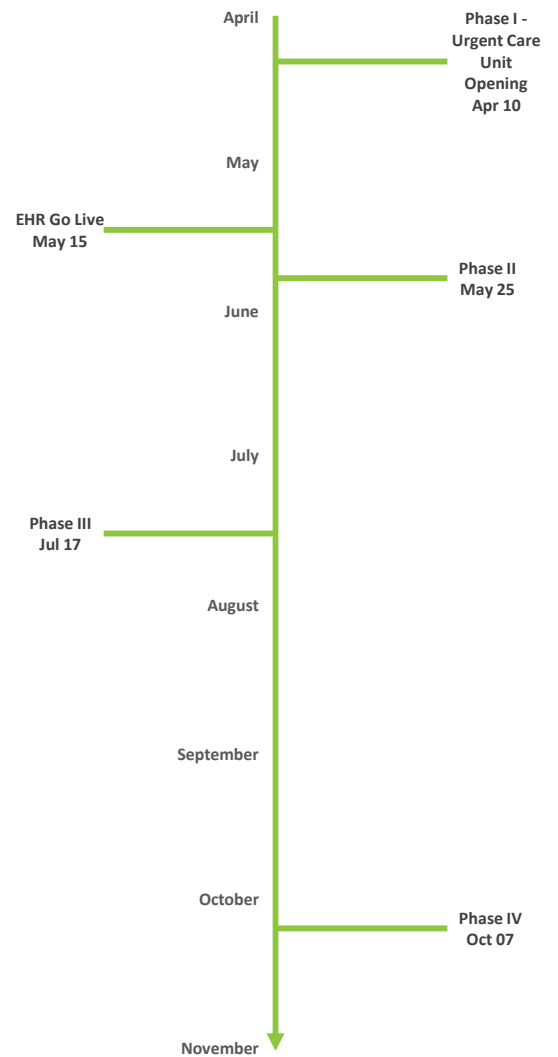
See Performance Standards, KPIs and Reporting Dashboard attached hereto.

Demographics

Treatment Recovery Center	2023												Total	Avg/Mo	%/Mo	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				
Programs/Teams Client Admissions																
Total Clients Served	-	-	-											0	-	-
Number of Crisis Intervention Clients	-	-	-											0	-	-
<i>Urgent Care Clients</i>	-	-	-											0	-	-
<i>Observation Clients</i>	-	-	-											0	-	-
Number of Crisis Stabilization Clients	-	-	-											0	-	-
Number of Detox & Withdrawl Management Clients	-	-	-											0	-	-
Repeat Clients																
Number of Clients With Repeat Visits	-	-	-											0	-	-
Total Number of Readmissions	-	-	-											0	-	-
30 Day Readmission Rate	-	-	-											0	-	-
60 Day Readmission Rate	-	-	-											0	-	-
90 Day Readmission Rate	-	-	-											0	-	-
Transition/Discharge Dispostion Type																
	-	-	-											0	-	-
Still being finalized with new EHR	-	-	-											0	-	-
	-	-	-											0	-	-
Referral Type at Discharge																
Still being finalized with new EHR	-	-	-											0	-	-
	-	-	-											0	-	-
Clients With Veteran Status																
Number of Clients w/ Veteran Status	-	-	-											0	-	-
Percent of Clients w/ Veteran Status	-	-	-											0	-	-
Clients Age																
0-17	-	-	-											0	-	-
18-24	-	-	-											0	-	-
25-44	-	-	-											0	-	-
45-64	-	-	-											0	-	-
65-74	-	-	-											0	-	-
75+	-	-	-											0	-	-
Client Zip-Codes																
66006	-	-	-											0	-	-
66025	-	-	-											0	-	-
66044	-	-	-											0	-	-
66045	-	-	-											0	-	-
66046	-	-	-											0	-	-
66047	-	-	-											0	-	-
66048	-	-	-											0	-	-
66049	-	-	-											0	-	-
66050	-	-	-											0	-	-
Other	-	-	-											0	-	-
Sex																
Male	-	-	-											0	-	-
Female	-	-	-											0	-	-
Not Listed	-	-	-											0	-	-
Gender Identity																
Male	-	-	-											0	-	-
Female	-	-	-											0	-	-
Transgender	-	-	-											0	-	-
Transgender Male to Female	-	-	-											0	-	-
Transgender Female to Male	-	-	-											0	-	-
Genderqueer, Neither Exclusively Male or Female	-	-	-											0	-	-
Other	-	-	-											0	-	-
Race																
Alaskan Native	-	-	-											0	-	-
American Indian and Alaskan Native	-	-	-											0	-	-
Asian	-	-	-											0	-	-
Black/African American	-	-	-											0	-	-
Native Hawaiian or Other Pacific Islander	-	-	-											0	-	-
Other Single Race	-	-	-											0	-	-
Two or More Races	-	-	-											0	-	-
Unknown	-	-	-											0	-	-
White	-	-	-											0	-	-
Ethnicity																
Dominican	-	-	-											0	-	-
Hispanic or Latino	-	-	-											0	-	-
Not Hispanic or Latino	-	-	-											0	-	-

Milestones

Treatment Recovery Milestones for Phased Openings	Date
Phase I - Urgent Care Unit Opening	10-Apr-23
Community Walk-Ins Monday-Friday 8am-8pm	<input type="checkbox"/>
Community Walk-Ins Saturday-Sunday 12pm-4pm	<input type="checkbox"/>
Open 365 Days a Year	<input type="checkbox"/>
Urgent Care Clients Seen <1 Hour From Arrival	<input type="checkbox"/>
BNC Intakes Completed at the TRC	<input type="checkbox"/>
Written Plan for Outside Provider Follow-Up	<input type="checkbox"/>
TRC Interim Care Available	<input type="checkbox"/>
BNC Mechanism in Place for Tracking & Reporting Follow-Up Appointments	<input type="checkbox"/>
BNC Mechanism in Place for Monthly Reporting on All Agreed Metrics	<input type="checkbox"/>
Electronic Health Record Go Live	15-May-23
Streamline SmartCare Active For All BNC and TRC Staff	<input type="checkbox"/>
Phase II	25-May-23
TRC Open 24/7	<input type="checkbox"/>
Observation Unit Available 24/7 and Staffed for Referrals from LMH Health ED, Mobile Response Team, and LPD Co-Responder	<input type="checkbox"/>
Short Term Stabilization (STAB) Supports Voluntary Clients 24/7	<input type="checkbox"/>
OBS/STAB 5-10 Client Capacity	<input type="checkbox"/>
Phase III	17-Jul-23
Observation & Stabilization Open 24/7 and Adequately Staffed to Support Involuntary Clients 24/7	<input type="checkbox"/>
Observation & Stabilization Open 24/7 and Adequately Staffed for Referrals from LMH Health ED, Mobile Response Team, LPD Co-Responder, EMS, and Law Enforcement	<input type="checkbox"/>
OBS/STAB 16 Client Capacity	<input type="checkbox"/>
SUD-Services Available	<input type="checkbox"/>
Satisfaction Feedback Implemented & In Place	<input type="checkbox"/>
Phase IV	7-Oct-23
Douglas County TRC Advisory Council is Convened by the County	<input type="checkbox"/>
First Responder Drop Off Acceptance Rate >90%	<input type="checkbox"/>
Side Door Turnaround <10 Minutes	<input type="checkbox"/>
ED BH Dashboard + TRC Dashboard Submitted Monthly	<input type="checkbox"/>
Phase IV Staffing In Consultation With County Based on Client Volumes	<input type="checkbox"/>
OBS/STAB 24 Client Capacity	<input type="checkbox"/>
Quality Metrics & KPI's Reflect Scope of Services & Clinical Expectations	<input type="checkbox"/>
Process Implemented for Outpatient Follow-Up for External Referrals	<input type="checkbox"/>



Detox and Withdrawal Management

Treatment Recovery Center - Detox & Withdrawal Management			
Pillar/Domain	Measurement	2023 Goal	Frequency

2023														
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Avg/Mo	%

Exhibit E
Performance Standards, Successive Term

During any Presumptive or Successive Term, in Providing the Services, Provider shall meet or exceed the following performance standards:

See Performance Standards, KPIs and Reporting Dashboard attached hereto as Exhibit D.

Exhibit F

KDADS Specific Requirements

The Parties acknowledge that KDADS has committed \$3.1 million in funding to the Center for each of the state fiscal years (“SFY”) 2023 and 2024. For SFY 2023 and 2024, KDADS will enter into a Crisis Intervention Center Grant Agreement (the “**Grant Agreement**”) with the County specifying certain requirements the County’s operator, Provider, must satisfy in exchange for KDADS funds. The Grant Agreement is attached hereto and incorporated by reference as Exhibit F-1. Provider agrees to satisfy all requirements and deliverables of the Grant Agreement in strict compliance with the provisions of the Grant Agreement insofar as those requirements and deliverables relate to Provider’s operation of the Center and are not matters within the exclusive purview of the County. Provider will continue to satisfy and comply with the terms of the Grant Agreement and this section in the event the Grant Agreement is amended, extended, or replaced by the County and KDADS. During the **Initial Term**, **Presumptive Term**, and any **Successive Term**, Provider will provide the following Services at, and for the benefit of, the Center, in accordance with the Grant Agreement Appendix B, Scope of Work including without limitation meeting or exceed the minimum expectations, best practices, outcomes, goals, and deliverables and reporting.

Reporting. Provider will provide all required reporting, budgets, funding records, audit reports, access to records to the extent allowed by law, and financials in strict compliance with the Grant Agreement., Provider will furnish all required documents and reporting to the County not less than five (5) days in advance of the deadline specified in the Grant Agreement, or simultaneously to the County and KDADS by the deadline in the Grant Agreement or as otherwise required by KDADS.

In the event any KDADS specific requirements, output goals, outcomes, deliverables and reporting, or any other provisions change during the Initial Term, any Presumptive or Successive Term, the Parties mutually agree to update this Exhibit F accordingly to maintain continuous compliance with KDADS conditions for receipt of funding.

Exhibit F-1
Crisis Intervention Center Grant Agreement

Exhibit G
Key Performance Indicators; Reporting

Data Collection

Provider shall collect data on the following Key Performance Indicators (“KPIs”):

See Performance Standards, KPIs and Reporting Dashboard attached hereto as Exhibit D.

Reporting

Provider shall report the data described above to County in the following manner and at the intervals specified:

Monthly

Reporting to Douglas County agencies or boards; duty of cooperation

Upon the reasonable request of County, Provider will report data regarding the KPIs and such other information as reasonably specified by County to County agencies or boards as the County may direct. To illustrate, the County expects to create a body that may be called the Douglas County Crisis System Council, or similar. If so reasonably directed by County and upon advance written notice, Provider will report KPI data and other information as reasonably specified by County to such Council or other agency or board as specified by County. Further, upon reasonable request by County, Provider shall participate in and reasonably cooperate with such Council, or such other agency or board as specified by County, regarding the Services provided by Provider at the Center, including without limitation the following subject areas: clinical services; administrative services; performance standards; KPIs; funding and financial management; community engagement and input; staffing; leadership; community needs; and related topics.