



CROOK COUNTY COURT MEETING
Crook County Annex | 320 NE Court St. | Prineville OR
WEDNESDAY, May 19, 2021 at 9:00 A.M.

**Members of the public and media are welcome to attend in person with social distancing
or via WebEx 1-408-418-9388; Access Code: 126 538 6281; Meeting Password: jEnpYBsq933**

CONSENT AGENDA

(Routine matters which are not expected to generate discussion and are approved in a single vote. Any member of the Court may request removal of an item for separate discussion or vote.)

1. Approve Minutes of May 4, 2021 and May 11, 2021 Work Session; May 5, 2021 Regular Court Meeting and May 10-11, 2021 Budget Meeting Minutes
2. Approve Richard Smith Airport Hangar Lease
3. Approve Amendment 19 to OHA Funding Agreement #159807
4. Community Mental Health Program Funding Agreement # 166039 Plus First Amendment, for Behavioral Health, Addictions, Problem Gambling
5. Approve Agreement with Pacific Source for CMHP Services
6. Approve Amendment 2 to KIDS Center Funding Agreement
7. Approve Employment Agreement with Jerry Kathan for On-Site Sanitarian
8. Approve Amendment No. 3 to Juvenile Housing IGA with Yamhill County

SCHEDULED APPEARANCES

9. Request to Establish Crook County as Second Amendment Sanctuary County
Requester: A.J. Siegmann (10 Minutes)

DISCUSSION

10. Deputy Sheriff's Labor Contract Requester: Stephanie Wilson (10 Minutes)
11. Order 2021-25; re: County Funds for FY 2020-21 Requester: Janet Pritiskutch (5 Minutes)

EXECUTIVE SESSION

12. ORS 192.660(2)(d) To conduct deliberations with persons designated by the governing body to carry on labor negotiations.

**The Court may add additional items arising too late to be part of this Agenda. Agenda items may be rearranged to make the best use of time.*

**The meeting location is accessible to persons with disabilities. If additional accommodations are required, please submit your request 48 hours prior to the meeting by contacting County Administration at 541-447-6555.*

NOTICE AND DISCLAIMER

The Crook County Court is the governing body of Crook County and holds public meetings (generally on the first and third Wednesday of each month) to deliberate upon matters of County concern. As part of its efforts to keep the public apprised of its activities, the Crook County Court has published this PDF file. This file contains the material to be presented before the County Court for its next scheduled regular meeting.

Please note that while County staff members make a dedicated effort to keep this file up to date, documents and content maybe added, removed or changed between when this file is posted online and when the County Court meeting is held. The material contained herein maybe changed at any time, with or without notice.

CROOK COUNTY MAKES NO WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, INCLUDING ANY WARRENTY OF MERCHANTABILITY, ACCURACY, FITNESS FOR A PARTICULAR PURPOSE OR FOR ANY OTHER MATTER. THE COUNTY IS NOT RESPONSIBLE FOR POSSIBLE ERRORS, OMMISSIONS, MISUSE OR MISINTERPERTATION.

Please also note that this file does not contain any materials scheduled to be discussed at an executive session or material the access to which maybe restricted under the terms of Oregon law.

If you are interested in obtaining additional copies of any of the documents contained herein, they maybe obtained by completing a Crook County Public Records Request form. Request forms are available on the County's website.

**CROOK COUNTY COURT MINUTES
OF MAY 4, 2021 WORK SESSION
Open Portion**

Be It Remembered that the Crook County Court met in a regularly scheduled Work Session on May 4, 2021, at 9:00 a.m. in the Administration Conference room located at 203 NE Court Street, Prineville, Oregon 97754.

Court Members Present: Judge Seth Crawford, Commissioner Jerry Brummer and Commissioner Brian Barney

Absentees: None

Others Present in Person or Via WebEx: Legal Counsels Eric Blaine and John Eisler; Administration Executive Assistant Amy Albert; Deputy Director Katie Plumb; IT Director Troy Poncin; Road Master Bob O'Neal; Assessor Jon Soliz; Director Ann Beier; Director Kim Barber; Sheriff John Gautney; Account Manager Janet Pritiskutch; Senior Accountant Christine Kurtz; Wendy Koslowski; Brad Nye; Jason Grant; Josh Smith and Duane Garner.

WORK SESSION

The meeting was **called to order at 9:00 a.m.**

Agenda Item #1, Covid-19 Update: Health Department Deputy Director Katie Plumb provided the Court with a Covid-19 update. The Health Department will be holding a vaccination clinic at Cary Foster Hall until May 25th, after that date vaccinations will take place at the Health Department. There has been a recent surge in Covid-19 cases, with 41% of the 56 cases being labeled as sporadic due to unknown origins of the virus.

Agenda Item #2, Ochoco Creek Preserve Project: Josh Smith, Duane Garner, Brad Nye and Jason Grant appeared before the Court regarding the Ochoco Creek Preserve Project being headed by Deschutes Land Trust. The Ochoco Creek Preserve will be located next to the Crooked River Wetlands with a conceptual design for fisheries. The Deschutes Land Trust is wanting the Ochoco Creek Preserve to be a multipurpose recreational area but have not decided what activities will be available.

Agenda Item #3, GIS/Assessment Data Interface Issues; Discussion of Options: IT Director Troy Poncin updated the Court on data migration issues that are affecting multiple departments. The County is in the process of migrating their data to Helion but have had several instances where the date they are receiving is incorrect or the site is having technical issues. Due to these problems, it is taking longer then anticipated for the conversion to be finalized.

At 10:07 a.m. the Court read into Executive Session under the following statute(s): ORS 192.660(2)(n)(D) and (E), discussion of programs relating to the security of telecommunications systems and data transmissions.

EXECUTIVE SESSION

At the conclusion of the Executive Session, the County Court convened back into Open Session, inviting members of the public into the meeting room.

There being no further business before the Court, the meeting was **adjourned at 10:19 a.m.**

Respectfully submitted,

Amy Albert

**CROOK COUNTY COURT MINUTES
OF May 11, 2021 WORK SESSION
Open Portion**

Be It Remembered that the Crook County Court met in a regularly scheduled Work Session on May 11, 2021, at 9:00 a.m. in the Administration Conference room located at 203 NE Court Street, Prineville, Oregon 97754.

Court Members Present: Judge Seth Crawford, Commissioner Jerry Brummer and Commissioner Brian Barney

Absentees: None

Others Present in Person or Via WebEx: Legal Counsels Eric Blaine and John Eisler; Administration Executive Assistant Amy Albert; Natural Resources Tim Deboodt; Senior Accountant Christine Kurtz; Director Kim Barber; Assessor Jon Soliz; Deputy Director Katie Plumb; Director Ann Beire; Sheriff John Gautney; Treasurer Galen Carter and Legal Assistant Lindsay Azevedo.

WORK SESSION

The meeting was **called to order at 9:00 a.m.**

Agenda Item #1, Covid-19 Update: Katie Plumb from the Health Department updated the Court on the County's current Covid-19 status. The current uptick in Covid-19 cases is still continuing leaving the County in the High-Risk Category. As of May 10th, the Pfizer vaccine has been approved for children ages twelve to fifteen years old.

Agenda Item #2, ODFW Appeal of TSR North Solar Facility CUP Modification: John Eisler updated the Court on the TSR North Solar Facility CUP Modification that was previously approved when it went before the Planning Commission but was appealed by ODFW. The Court must now decide if they want to uphold the decision of the Planning Commission or if they wish to hear the appeal. Before the Court makes a decision, they would like to review the decision made by the Planning Commission. Mr. Eisler will bring this matter back before the Court at a future date.

At 9:34 a.m. the Court read into Executive Session under the following statute(s): ORS 192.660(2)(h) Consulting with Counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed and ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection.

EXECUTIVE SESSION

At the conclusion of the Executive Session, the County Court convened back into Open Session, inviting members of the public into the meeting room.

MOTION to approve a resolution in writing and later be signed outside of Court. Motion seconded. No further discussion. Motion carried 3-0.

MOTION to direct staff to proceed as discussed in Executive Session. Motion seconded. No further discussion. Motion carried 3-0. There being no further business before the Court, the meeting was **adjourned at 9:38 a.m.**

Respectfully submitted,

Amy Albert

**CROOK COUNTY COURT MINUTES
OF MAY 5, 2021 REGULAR MEETING
Open Portion**

Be It Remembered that the Crook County Court met in a Regular Court meeting on May 5, 2021, at 9:00 a.m. in the County meeting room located at 320 NE Court Street, Prineville, Oregon 97754.

Court Members Present: Judge Seth Crawford, Commissioner Jerry Brummer and Commissioner Brian Barney

Absentees: None

Others Present in Person or Via WebEx: Legal Counsels Eric Blaine and John Eisler; Administration Executive Assistant Amy Albert; Road Master Bob O'Neal; Senior Accountant Christine Kurtz; Account Manager Janet Pritiskutch; Director Kim Barber; Natural Resources Coordinator Tim Deboodt; Director Muriel Delavergne-Brown; Manager Levi Roberts; Eric Bush; Cynthia Bese and Stephen Gilday.

REGULAR SESSION

The meeting was **called to order at 9:00 a.m.**

ADDITIONS/REMOVALS: None

MOTION to approve the Consent Agenda as presented with these changes. Motion seconded. No discussion. Motion carried 3-0.

Appearances / Item #9: Jonathan Cavazos of Bend Racing requested use of the Courthouse lawn May 15th and 16th for the conclusion of a multicounty race. Bend Racing's request is approved with the condition Crook County is added to the insurance waiver and there is a two-million-dollar aggregate. Mr. Covazos is in agreement with these terms.

Discussion item #10: Account Manager Janet Pritiskutch presented Order 2021-22 regarding budget transfer appropriations. This Order is regarding accepting revenue, changing related appropriations, line-item adjustments and changing expenditure budget appropriations for County funds for fiscal year 2020-21.

MOTION to approve Order 2021-22. Motion seconded. No further discussion. Motion carried 3-0.

Discussion item #11: Account Manager Janet Pritiskutch presented the Court with Order 2021-23 regarding increased appropriations. Ms. Pritiskutch detailed how the supplemental budget for 2021 will be reallocated.

MOTION to approve Order 2021-23, FY 21 Supplemental Budget. Motion seconded. No further discussion. Motion carried 3-0.

Discussion item #12: Eric Blaine discussed the most recent version of the Pacific Source contract, along with notable concerns. The first concern is Pacific Source is requesting rates remain confidential and the second concern is Pacific Source requests the contract contain a clause regarding nonmaterial breach. Crook County will wait to speak with Deschutes and Jefferson Counties before moving forward with the Pacific Source contract.

Discussion item #13: Eric Blaine presented the Court with the Community Health Program Funding Agreement #166039. This agreement was brought before the Court at a previous meeting where the Court had made the decision not to sign the contract due to liability concerns. Mr. Blaine had brought this matter back before the Court due to other Counties signing the contract and OHA stating they will not modify the agreement but may possibly offer insurance. After some discussion it was determined that Mr. Blaine would work towards determining what the addition insurance coverage would cost before the contract is signed.

Discussion item #14: The County received one proposal to the publication for installation of an electric charging station from EC Electric. While the response from EC Electric was not responsive, it was the recommendation of Eric Blaine to accept the proposal as representing the best value to the County.

MOTION to award the contract to EC Electric for the installation of an electric vehicle charging station, to direct staff to establish final terms, and to authorize Judge Crawford to sign on behalf of the County. Motion seconded. No further discussion. Motion carried 3-0.

Discussion item #15: Crook County received two proposals, from Turning Points Recovery Services and Imagine Freedom to the substance use disorders treatment and recovery. After convening a committee of Specialty Court staff, District Attorney staff and local defense attorneys to review and score the proposals the top scoring proposal was from Turning Points Recovery Services and they shall be awarded the contract.

MOTION to award the substance use disorders treatment and recovery services contract to Turning Points Recover Services, LLC and to sign out of Court. Motion seconded. No further discussion. Motion carried 3-0.

Discussion item #16: John Eisler presented the Court with Resolution and Order 2021-24; declaration of local drought and request to declare a state of drought emergency in Crook County, Oregon. The declaration is due to the County's water numbers being lower than the previous year.

MOTION to approve Resolution and Order 2021-24 declaration of drought in Crook County, Oregon. Motion seconded. No further discussion. Motion carried 3-0.

Addition: Crook County received \$338,451.49 in grant funding to be distributed among businesses in the County who have been financially affected by Covid-19. An application will be available for business owners to apply for the funding within the next week.

MOTION to approve Amendment One to grant number 2525 between the State of Oregon and Crook County, Oregon. Motion seconded. No further discussion. Motion carried 3-0.

Addition: Kim Barber requested the Court approve a personnel action form for Katie Walsh with a multi-step wage increase. Ms. Walsh has recently completed her master's degree and taken on more responsibility within the Health Department.

MOTION to approve personnel action form for Katie Walsh. Motion seconded. No further discussion. Motion carried 3-0.

At 9:50 a.m. the Court convened into Executive Session under the following statute(s): ORS 192.660(2)(e) For the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions.

EXECUTIVE SESSION

At the conclusion of the Executive Session, the County Court convened back into Open Session, inviting members of the public into the meeting room.

MOTION to direct staff to proceed as discussed in Executive Session. Motion seconded. No further discussion. Motion carried 3-0.

There being no further business before the Court, the meeting was **adjourned at 9:57**.

Respectfully submitted,

Amy Albert

**CROOK COUNTY COURT MINUTES
OF MAY 10 & 11, 2021 BUDGET MEETING**

Be It Remembered that the Crook County Court met in a Budget Meeting on May 10 & 11, 2021, at 1:00 p.m. in the Clover Building located at 502 SE Lynn Boulevard, Prineville, Oregon 97754.

Court Members Present: Judge Seth Crawford, Commissioner Jerry Brummer and Commissioner Brian Barney

Budget Committee Members: Steve Forrester; Bobbi Brooks and Steve Markel

Others Present in Person or Via WebEx: Administration Executive Assistants Amy Albert; Account Manager Janet Pritiskutch and Senior Accountant Christine Kurtz.

The meeting was **called to order May 10, 2021 at 1:00 p.m.**

The Crook County Budget Committee heard the County Judge's Message, this message will receive minor changes at the request of Judge Crawford. The Budget Committee reviewed the Budget Message Introduction, Fiscal Policies and Assumptions, Budget Summary and Appendix with no suggested changes.

Today's meeting included Department presentations from Jon Soliz of the Assessors Office; Cheryl Seely of the Clerks Office; Janet Pritiskutch of the Finance Department; Debra Patterson of the Juvenile Department; Eric Blaine of the Legal Department; Tim Deboodt of the Natural Resources Department; Kim Barber of Human Resources; Wade Whiting of the District Attorneys Office; Levi Roberts of Geographical Information Systems; Troy Poncin of Information Technology; Janet Pritiskutch for the Administration Department; Robert O'Neal of the Road Department; Ann Beire and Lori Furlong of Community Development and John Gautney, James Savage, Bill Elliott, Brett Lind, Mike Ryan and Stephanie Wilson of the Sheriffs Office.

Representatives from these departments discussed their department summary, resources and expenditures, changes in their department from the last year, upcoming challenges, highlights, personnel and requests to their budget, if any.

Janet Pritiskutch presented the Budget Committee with the Non-Departmental Budget; Debt Services Funds; Airport Capitol Project; Airport Operations Funds; Justice Center Capital Project; Capitol Asset Reserve; Court Security Fund; Community College Education Center Fund; Crook County School Fund; Crooked River Watershed; Mental Health Fund; Special Transportation Fund; Tourism Fund; Title III Fund and Video Lottery Fund. Cheryl Seely presented the Clerk Special Reserve Fund and Time Deboodt presented the Taylor Grazing fund.

The meeting was **adjourned May 10, 2021 at 4:57 p.m.**

The meeting was **called to order May 11, 2021 at 1:00 p.m.**

Today's meeting included Department presentations from Katie Plumb and Muriel DeLaVergne-Brown of the Health Department; Adam Williams of the Veteran Services Department; Casey Daly from the Fairgrounds; April Witteveen of the Library; Jeff Merwin of the Landfill; Kev Alexanian from Weeds and Jeremy Thamert from Facilities.

Representatives from these departments discussed their department summary, resources and expenditures, changes in their department from the last year, upcoming challenges, highlights, personnel and requests to their budget, if any.

At the conclusion of budget presentations, the Budget Committee discussed possible solutions for departments whose requests were not included in the budget. It was determined at this time these requests could not be met but the Budget Committee would meet quarterly, as needed to review the budget to potentially help departments receive their unmet requests. Janet Pritiskutch will publish the Open Gov budget book for public viewing, with minor changes requested by the Budget Committee.

MOTION to approve the FY 2021-22 budget for Crook County as presented at \$93,193,500. In addition, request quarterly meetings as needed to review budget versus actual and review all requests not met in the approved budget. Motion seconded. No further discussion. Motion carried 6-0.

MOTION to approve levying the County's maximum property tax rate of \$3.8702. Motion seconded. No further discussion. Motion carried 6-0.

MOTION to approve a property tax levy, exempt from limitations, of \$578,300 to pay voter approved debt services. Motion seconded. No further discussion. Motion carried 6-0.

There being no further business before the Court, the meeting was **adjourned May 11, 2021 at 3:05 p.m.**

Respectfully submitted,

Amy Albert

MEMO

TO: Crook County Court
FROM: John Eisler, Asst. County Counsel
DATE: May 10, 2021
RE: Richard Smith Airport Hangar Lease
Our File No.: Airport 43

Enclosed is Crook County/Prineville Airport 39 Ground Lease and Use Agreement (Lease) and Memorandum of Ground Lease with Richard Smith, for an airplane hangar at the address of 4031 Aviation Blvd. The hangar had been owned by Wolf Pack Properties. The Lease is on the County's standard form and includes an adjacent 15'x12' propane tank area. The standard rental rate for land at the airport has increased from \$0.25 to \$0.26 for 2021.

Kelly Coffelt recommends approval of the Lease. Please let me know if you have any questions.

Please place this memo and the attached document(s) on the Wednesday, May 19, 2021 County Court Agenda as a CONSENT ITEM, for approval and signatures.

CROOK COUNTY PRINEVILLE AIRPORT S39 GROUND LEASE AND USE AGREEMENT

This Crook County Prineville Airport S39 Ground Lease and Use Agreement (“Agreement” or “Lease”) is made and entered into this 19th day of May 2021 (the “Commencement Date”), by and between Crook County, a political subdivision of the State of Oregon (“County,” or “Lessor”) and Richard Dale Smith (“Lessee”). Lessor and Lessee may hereinafter be referred to as the “Parties” or individually as a “Party.”

RECITALS

WHEREAS, County is the owner of the real property known as the Crook County Prineville Airport S39 (Airport);

WHEREAS, the Airport is currently managed by the City of Prineville pursuant to an Intergovernmental Agreement and operated by an Airport Manager (the Airport Manager and any persons or entities hereafter responsible for the management of the Airport shall be referred to as the “Manager”);

WHEREAS, the Airport is the recipient of certain Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants, with County as sponsor, and is thus subject to ongoing compliance with all FAA regulations and guidance;

WHEREAS, Lessee desires to lease from Lessor and use certain Airport land and improvements and engage in certain non-commercial aeronautical activities at the Airport; and

WHEREAS, Lessor desires to lease to Lessee certain Airport land and improvements.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants, promises, and obligations contained herein, the parties agree as follows:

1. PREMISES.

A. Leased Premises.

Lessor hereby leases to Lessee, pursuant to the rents, conditions, and provisions herein, 3204 square feet of ground space (the “Leased Premises”) at the Airport in Crook County, Oregon, identified with the current address of 4013 Aviation Blvd., Prineville, OR 97754, and including the adjacent 15’x12’ propane tank area and more particularly described on Exhibit A, attached and incorporated herein.

B. Condition of Leased Premises.

Lessee warrants and represents that Lessee has carefully and completely examined and inspected the Leased Premises and Lessee fully understands its responsibilities and obligations with respect to the Leased Premises and this Agreement. Lessee accepts the Leased Premises in an "AS IS", "WHERE IS" condition without representation or warranties from Lessor as to the condition, suitability, or sufficiency of the Leased Premises for engaging in the non-commercial aeronautical activity described or contemplated by this Agreement. To the best of Lessor's knowledge, the Leased Premises complies with all applicable federal, state, and local environmental regulations and standards. Lessee agrees that it has inspected the Leased Premises and is fully advised of its own rights without reliance upon any representation made by Lessor concerning the environmental condition of the Leased Premises. Lessee, at its sole cost and expense, agrees that it shall be fully responsible for the remediation of any violation of any applicable federal, state, or local environmental regulations or standards that is caused by Lessee, its officers, agents, servants, employees, contractors, subcontractors, or invitees.

C. Improvements.

The Leased Premises contains a previously constructed hangar and improvements. The hangar and improvements are not the property of County. County makes no representations or warranties and assumes no liability or control for the current or future state of the hangar and improvements, except as expressly stated in this Agreement.

2. LEASE TERM.

A. Initial Term.

Starting on the Commencement Date, the Leased Premises will be leased for a term of twenty years (the "Initial Term"), unless earlier terminated pursuant to the terms of this Lease.

B. Extended Term.

If Lessee is not in default under the Lease, Lessee has the option to extend the term for one additional period of ten years (the "Extended Term") by providing written notice thereof to Lessor not more than 180 days or less than 90 days before the expiration of the Initial Term (for purposes of this Agreement, both the Initial Term and Extended Term may hereafter be referred to simply as the "Term") on the condition that said written notice includes as an exhibit a professional, independent commercial inspection of the hangar and improvements, performed no more than six months before the date of the written notice, showing an expected useful life of the hangar of greater than 1.5 times the requested Extended Term.

C. Holdover.

There shall be no holdover period. Should Lessee remain in possession after the expiration of the Term, Lessee will be considered a tenant at sufferance, which Lessor may consider as triggering the termination, remedy, and surrender provisions of sections 16 – 18 below at any time without notice and Lessee will be liable for any and all damages resulting from such unauthorized holdover

(including but not limited to any and all damages that Lessor is required to pay a new tenant for failing to timely deliver any portion of the Leased Premises or the improvements).

3. RENT.

A. Rent for Term.

Subject to paragraph B below, Lessee shall pay annual Rent at the rate of \$0.26 per square foot for the Leased Premises space for a total of \$833.04 per year of this lease term. Rent for the first year is due and payable upon the signing of this Lease. Rent for each subsequent year of the Term is due each January 1. Any payments not received by January 1 will trigger the default provisions of 16.B.i below. All payments shall be made to the Manager. Manager hereby reserves the right to institute additional rent, in his sole discretion and not to exceed one-half of the base rent, calculated to cover documented common-area maintenance expenses and applicable to all Airport tenants.

B. Adjustment of Rent.

Rent will be adjusted annually on January 1st (the "Adjustment Date"). Manager will deliver notice to Lessee of the amount of the adjustment and the new Rent not less than thirty days before Rent is due each year, calculated pursuant to the provisions below.

i. Annual Adjustment

For the duration of the Term, before each annual due date for Rent except for those years subject to an Appraisal Adjustment in subsection ii below, County will adjust the rent in the same percentage as the increase, if any, in the Consumer Price Index (the "Index") published by the United States Department of Labor, Bureau of Labor Statistics. The increase will be computed by comparing the schedule entitled "U.S. City Average, All Items, All Urban Consumers, 1982-84=100" for the year of the Commencement Date or the prior year's Rent, as applicable, and the latest figures preceding the current Adjustment Date. All comparisons will be made using Index figures derived from the same base period and in no event will this provision operate to decrease Rent. If the Index cited above is revised or discontinued during the Term, then the Index that is designated to replace it by BOMA Oregon will be used.

ii. Appraisal Adjustment

At five-year intervals, beginning for the year 2020, Lessor will procure an Appraisal Report, consistent with Title XI of the Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice (USPAP) to ascertain Fair Market Rent for all leased space at the Airport.

4. USE OF LEASED PREMISES.

A. Permitted Uses.

The primary purpose of this Agreement is for Lessee to store aircraft in a hangar on the Leased Premises. As such, the following non-commercial aeronautical uses are permitted:

- Storage of aircraft;

- Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;
- Storage of aircraft handling equipment, e.g., tow bar, glider tow equipment, workbenches, and tools and materials used to service, maintain, repair or outfit aircraft; items related to ancillary or incidental uses that do not affect the hangar's primary use;
- Storage of materials related to an aeronautical activity, e.g., balloon and skydiving equipment, office equipment, teaching tools, and materials related to ancillary or incidental uses that do not affect the hangar's primary use;
- Storage of non-aeronautical items that do not interfere with the primary aeronautical purpose of the hangar, e.g., furniture or televisions;
- Construction of amateur-built or kit-built aircraft provided that activities are conducted safely; and
- Storage of a vehicle parked at the hangar while the aircraft usually stored in that hangar is flying, subject to Airport rules and regulations as currently in effect or may hereinafter be implemented.

B. Prohibited Uses.

Prohibited uses include, but are not limited to the following:

- Use as a residence;
- Operation of a non-aeronautical business, e.g., limo service, car and motorcycle storage, storage of inventory, non-aeronautical business office;
- Activities which impede the movement of the aircraft in and out of the hangar or other aeronautical contents of the hangar;
- Activities which displace the aeronautical contents of the hangar or impede access to aircraft or other aeronautical contents of the hangar;
- Storage of household items that could be stored in commercial storage facilities;
- Long-term storage of derelict aircraft and parts;
- Storage of items or activities prohibited by local or state law;
- Fuel, and other dangerous and Hazmat materials; or
- Storage of inventory or equipment supporting a municipal agency function unrelated to the aeronautical use.

C. Commercial Activity.

Lessee may not conduct any commercial activity on or near the Leased Premises without Manager's prior written consent. Lessee may use the Leased Premises and hangar to store the aircraft, even if the aircraft is used to support a commercial activity, but only if no commercial activity aside from mere storage of the aircraft takes place in or near the hangar. Duly registered non-profit flight clubs and subletting the Leased Premises are not considered a commercial activity under this section.

D. Hazardous Materials.

Hazardous materials stored in the hangar must be stored in Department of Transportation approved containers and disposed of per hazardous waste requirements, as required by law. The total volume of stored hazardous materials may not exceed five US gallons. The storage of engine oil, in the manufacturer's original containers, will not be included in the calculation of the total allowable storage volume. To minimize fire hazard and hazardous waste contamination issues, the following actions are prohibited in the hangar: using combustible chemicals or cleaning solvents, fuel system draining, fuel system repair (except where the fuel system has been drained), chemical stripping, chemical washing, and painting (except as described elsewhere in this Agreement). Any hot work (i.e., cutting, welding, brazing, soldering, and grinding) may not be performed inside the hangar; any such work performed on the hangar itself must be done by a person properly licensed to perform such work. Lessee, and all persons performing work on Lessee's behalf, must at all times comply with all applicable current state and local laws, ordinances, regulations, and fire prevention codes.

5. COMPLIANCE WITH ALL LAWS

Lessee hereby agrees to comply with all local, state, and federal laws, ordinances, guidance, rules and regulations as they may exist or be enacted in the future. Moreover, Lessee makes the following covenants.

A. Non-Discrimination

The Lessee and all heirs, successors, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

The Lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that:

- (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities,
- (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,
- (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted

Programs of the Department of Transportation, and as said Regulations may be amended.

If Lessee provides any services at the Airport in relation to this Lease, Lessee hereby covenants that it will furnish said services on a reasonable basis to all users thereof, charge reasonable prices for each unit or service, and not unjustly discriminate in any manner thereof.

B. Federal Requirements

Lessor is bound to comply with the following federal laws, executive orders, and regulations; Lessee will take no action to interfere with Lessor's compliance and will not take any act in violation itself:

i. Federal Laws.

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.

- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

ii. Federal Regulations.

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].
- c. 2 CFR Part 1200 – Non-procurement Suspension and Debarment.
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice for Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.
- m. 49 CFR Part 20 - New restrictions on lobbying.

iii. Executive Orders.

- a. Executive Order 11246 - Equal Employment Opportunity
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 –Flood Plain Management

- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction
- f. Executive Order 12898 - Environmental Justice
- g. Executive Order 13788 - Buy American and Hire American
- h. Executive Order 13858 – Strengthening Buy-American Preferences for Infrastructure Projects.

6. RIGHTS AND RESERVATIONS OF LESSOR.

A. Hazards.

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, including, but not limited to, the right to prevent Lessee from erecting or permitting to be erected any building or other structure which, in the opinion of Lessor, would limit the usefulness of the Airport, constitute a hazard to aircraft or diminish the capability of existing or future avigational or navigational aids used at the Airport.

B. Development.

Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee. Accordingly, nothing contained in this Lease shall be construed to obligate Lessor to relocate Lessee as a result of any such Airport developments or improvements.

C. Subordination.

This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States Government, which relates to the operation or maintenance of the Airport and is required as a condition for the expenditure of federal funds for the development, maintenance or repair of Airport infrastructure. In the event that any such existing or future agreement directly causes a material restriction, impairment or interference with Lessee's primary operations on the Premises (Limitation) for a period of less than seven calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation.

If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven and 180 days, then for such period:

- (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue;
- (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and

(iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation.

If the Limitation lasts more than 180 days, then

- (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b) renegotiate maintenance responsibilities and (c) extend the term of this Lease, or
- (ii) Lessee may terminate this Lease upon thirty days' written notice to Lessor.

D. National Emergencies.

During any war or national emergency, Lessor shall have the right to lease any part of the Airport, including its landing area, to the United States Government. In this event, any provisions of this instrument which are inconsistent with the provisions of the lease to the Government shall be suspended. Lessor shall not be liable for any loss or damages alleged by Lessee as a result of this action. However, nothing in this Lease shall prevent Lessee from pursuing any rights it may have for reimbursement from the United States Government. If any lease between Lessor and the United States Government executed pursuant to this section D directly causes a Limitation for a period of less than seven calendar days, this Lease shall continue in full force and effect. If the Limitation lasts more than seven calendar days, Lessee and Lessor shall negotiate in good faith to resolve or mitigate the effect of the Limitation. If Lessee and Lessor are in good faith unable to resolve or mitigate the effect of the Limitation, and the Limitation lasts between seven and 180 days, then for such period

- (i) Lessee may suspend the payment of any rent due hereunder, but only if Lessee first provides adequate proof to Lessor that the Limitation has directly caused Lessee a material loss in revenue;
- (ii) subject to ordinary wear and tear, Lessor shall maintain and preserve the Premises and its improvements in the same condition as they existed on the date such Limitation commenced; and
- (iii) the term of this Lease shall be extended, at Lessee's option, for a period equal to the duration of such Limitation.

If the Limitation lasts more than 180 days, then:

- (i) Lessor and Lessee may, but shall not be required to, (a) further adjust the payment of rent and other fees or charges, (b) renegotiate maintenance responsibilities and (c) extend the term of this Lease, or
- (ii) Lessee may terminate this Lease upon thirty days' written notice to Lessor.

E. Sponsor Assurances.

Lessor covenants and agrees that during the term of this Lease it will operate and maintain the Airport and its facilities as a public airport consistent with and pursuant to the Sponsor's Assurances given by Lessor to the United States Government through the Federal Airport Act; and Lessee agrees that this Lease and Lessee's rights and privileges hereunder shall be subordinate to the Sponsor's Assurances.

F. Easements.

Lessee's rights hereunder shall be subject to all existing and future utility and drainage easements and rights-of-way granted by Lessor for the installation, maintenance, inspection, repair or removal of facilities owned or operated by electric, gas, water, sewer, communication or other utility companies. Lessee's rights shall additionally be subject to all rights granted by any ordinance or statute which allows utility companies to use publicly owned property for the provision of utility services.

G. Rights of Ingress and Egress.

Lessor agrees Lessee shall have the right of ingress and egress to and from the Leased Premises by means of roadways for automobiles and taxiways for aircraft including access during the construction phase of airport improvements, unless otherwise agreed to in writing by both parties. Such rights shall be consistent with the rules and regulations with respect to the occupancy and use of airport premises as adopted from time to time by the County and by the Federal Aviation Administration or any other state, federal or local authority.

H. Relocation of Hangar and Leased Premises.

The precise location of the Premises where the Hangar is located is subject to County's discretion and modification. County may compel relocation of the Hangar at any time, in which case County will be responsible for all reasonable relocation costs. Lessee will be responsible for all Hangar relocation/reassembly costs when the relocation/reconstruction is at the request and sole benefit of the lessee, or if relocation is due to termination of this Agreement.

7. TAXES AND ASSESSMENTS.

Lessee agrees to timely pay any and all federal, state, or local taxes or assessments which may lawfully be levied against Lessee due to Lessee's use or occupancy of the Leased Premises or any improvements or property placed on the premises by Lessee as a result of its occupancy. Lessee shall furnish to the Manager a receipt showing said taxes or assessments are paid within thirty days of payment.

8. INSURANCE.

Lessee shall be responsible for any and all property damage insurance for Lessee's hangar, aircraft, and other property on the Leased Premises. Additionally, Lessee, at its sole cost and expense, shall procure and maintain at all times, in full force and effect during the Term of this Lease, a policy or policies of insurance, naming Crook County and the employer of Manager (currently, City of Prineville) as additional insureds and covering all risks arising directly or indirectly out of Lessee's activities at the Leased Premises, including but not limited to (1) coverage for hangar premises liability of others; (2) aircraft liability; and (3) if Lessee or any occupant of the Leased Premises has property of others, including aircraft, in their care, custody, or control then they shall maintain hangar keeper's liability coverage with limits adequate to cover the potential damage. The limits for all such policies shall be the current statutory limit of liability for Lessor under the Oregon Tort Claims Act or \$1,000,000 per occurrence and \$2,000,000 in the aggregate, whichever is higher. Evidence of the required insurance coverages issued by an insurance company satisfactory to Lessor shall be provided to Manager by way of a Lessor-approved certificate of insurance upon commencement of this Agreement and each time Rent is due. The certificate of insurance shall

contain a requirement that the insurance company notify Manager 30 days prior to any cancellation or material change in coverage. If the approved insurance company will not provide this 30-day notice, Lessee shall provide written notice to Manager within two calendar days after Lessee becomes aware that its coverage has been cancelled or has been materially changed. Regardless of what circumstances caused Lessee's insurance coverage to cease or be modified, it is Lessee's responsibility to notify Manager.

9. UTILITIES.

Lessee, at Lessee's sole cost and expense, shall be responsible for the installation and use of all utility services to all portions of the Leased Premises and for all other related utility expenses, including but not limited to deposits and expenses required for the installation of meters, if necessary. Lessee further covenants and agrees to pay all costs and expenses for any extension, maintenance, or repair of any and all utilities serving the Leased Premises. In addition, Lessee agrees that all utilities, air conditioning and heating equipment, and other electrically operated equipment which may be used on the Leased Premises shall fully comply with all applicable Mechanical, Electrical, Plumbing, Building, and Fire Codes, as they exist or may hereafter be amended. Lessee expressly waives any and all claims, including a claim of Lessor's default of this Agreement, against County for compensation for any and all loss or damage sustained by reason of any defect, deficiency, interruption, or impairment of any water supply system, drainage or sewer system, gas supply system, telephone system, electrical supply system, or electrical apparatus or wires serving the Leased Premises.

10. MAINTENANCE AND SAFETY ISSUES.

A. Maintenance and Repairs by Lessee.

Lessee understands that this is a term lease and agrees to keep and maintain the Leased Premises in a good, clean and sanitary condition at all times, reasonable wear and tear excepted. Lessee covenants and agrees that it will not make or suffer any waste of the Leased Premises. Lessee, at Lessee's sole cost and expense, will make all repairs or replacements necessary to prevent the deterioration in condition or value of the Premises, including, but not limited to, the maintenance of and repairs to all hangars and other structures, doors, windows and roofs, and all fixtures, equipment, utilities, hangar modifications and surrounding pavement on the Premises. Lessee must paint the exterior of the hangar, as needed and reasonably directed by Lessor, with specifications and color to be approved in writing by the Manager. Lessee shall be responsible for all damages caused by Lessee, its agents, servants, employees, contractors, subcontractors, licensees or invitees, and Lessee agrees to fully repair or otherwise cure all such damages at Lessee's sole cost and expense.

Lessee agrees that all improvements, trade fixtures, furnishings, equipment and other personal property of every kind or description which may at any time be on the Leased Premises shall be at Lessee's sole risk or at the sole risk of those claiming under Lessee. Lessor shall not be liable for any damage to such property or loss suffered by Lessee's business or business operations which may be caused by the bursting, overflowing or leaking of sewer or steam pipes, from water from any source

whatsoever, or from any heating fixtures, plumbing fixtures, electric wires, noise, gas or odors, or from causes of any other matter.

B. Access.

Lessor/Manager shall have the right and privilege, through its officers, agents, servants or employees, to inspect the Leased Premises. Except in the event of an emergency, Lessor shall conduct such inspections during Lessee's ordinary business hours and shall use its best efforts to provide Lessee at least twenty-four hours' notice prior to any inspection. Lessee will permit the Crook County Fire and Rescue (CCFR) Fire Marshal or his or her authorized agents to inspect the Leased Premises and Lessee will comply with all requirements of the Fire Marshal or his or her authorized agents that are necessary to bring the Leased Premises into compliance with all applicable fire and building code requirements regarding fire safety, as such provisions exist or may hereafter be amended. Lessee shall maintain in proper condition accessible fire extinguishers of a number and type approved by the Fire Marshal or his or her authorized agents for the particular hazard involved.

C. Inspections and Repairs.

If Lessor/Manager determines during an inspection of the Leased Premises that Lessee is responsible under this Lease for any maintenance or repairs, Lessor shall notify Lessee in writing. Lessee agrees to begin such maintenance or repair work diligently within thirty calendar days following receipt of such notice and to then complete such maintenance or repair work within a reasonable time, considering the nature of the work to be done. If Lessee fails to begin the recommended maintenance or repairs within such time or fails to complete the maintenance or repairs within a reasonable time, Lessor may, in its discretion, perform such maintenance or repairs on behalf of Lessee. In this event, Lessee will reimburse Lessor for the cost of the maintenance or repairs, and such reimbursement will be due on the date of Lessee's next annual Rent payment following completion of the maintenance or repairs.

D. Repairs Required of Lessor.

During any inspection, Lessor may perform any obligations that Lessor is authorized or required to perform under the terms of this Lease or pursuant to its governmental duties under federal state or local laws, rules or regulations.

11. IMPROVEMENTS AND ALTERATIONS.

A. Authorization for Improvements.

Lessee may, at its sole discretion, perform modifications, renovations, improvements, or other construction work on or to the Leased Premises (collectively, "Improvements") so long as it first submits all plans, specifications and estimates for the costs of the proposed work in writing and also requests and receives in writing approval from the Manager. Manager reserves the right to require one or more construction bonds to protect the Airport's interest should the Improvement's total cost exceed \$50,000. Manager agrees to respond in writing to Lessee's requests for approval within thirty calendar days of receipt of such requests. Lessee covenants and agrees that it shall fully comply with all provisions of this section 11 in the undertaking of any such Improvements.

B. Process for Approval of Plans.

Lessee's plans for Improvements shall conform to the Airport's architectural standards and must also receive written approval, where required by law, of the FAA and local planning and building authorities. All plans, specifications, and work shall conform to all federal, state, and local laws, ordinances, rules, and regulations in force at the time the plans are presented for review.

C. Documents.

Lessee shall supply the Manager with comprehensive sets of documentation relative to any Improvements, including at a minimum, as-built drawings of each project in computer format, if possible.

12. ASSIGNMENT, SUBLETTING, AND SUBORDINATION.

A. Limitations on Transfers.

Except as permitted under paragraph C below and section 13 below, Lessee must not, voluntarily or by operation of law, sell, assign, or transfer this Lease or any interest therein, sublet the Leased Premises or any part thereof, or grant any right to use the Leased Premises, the improvements, or any respective part thereof (each a "Transfer") without the prior written consent of Lessor, which must not be unreasonably withheld. Any attempted Transfer without such prior written consent will be void. Lessor's consent to a Transfer will in no event release Lessee, any assignee, sublessee, or any guarantor from their respective liabilities or obligations under this Lease or any guaranty of this Lease (including any liabilities or obligations arising during the Extended Term), nor relieve Lessee from the requirement of obtaining Lessor's prior written consent to any further Transfer. Lessor's acceptance of Rent from any other person will not be deemed to be a waiver by Lessor of any provision of this Lease or consent to any Transfer. The failure or refusal of Lessor to approve a requested Transfer shall not relieve Lessee of its obligations hereunder, including payment of Rent.

If Lessee is a corporation, partnership, limited liability company, or other entity or unincorporated association, then any Transfer of this Lease by merger, consolidation, liquidation, or change in the ownership of or power to vote the majority of the ownership interest of Lessee, will constitute a Transfer for the purposes of this Article.

B. Assignments Prohibited.

Except in the case of an assignment pursuant to a probate proceeding or for estate planning purposes, all assignments of this Agreement are prohibited. An assignment prohibited within the meaning of this section 12 includes, without limitation, one or more sales or transfers, direct or indirect, by operation of law or otherwise, or the creation of new stock or ownership interests, by which ownership or control of an aggregate of more than 50 percent of Lessee's stock or ownership interests must vest in a party or parties who are non-stockholders, partners, or members, as applicable, as of the Commencement Date.

C. Subletting.

Lessee has the right to sublet portions of the Leased Premises or the improvements only upon prior written consent from the Manager and only for a term or terms that will expire before the expiration

of the Term. Upon written request by Lessor, Lessee will promptly deliver to Lessor complete copies of any and all subleases. Each sublease must contain the following terms and conditions:

- (a) The sublease will incorporate the terms, conditions, and covenants set forth in, and state that it is subject and subordinate to, this Lease and to any extensions, modifications, or amendments of this Lease;
- (b) That rents due under the sublease (i) have been assigned to Lessor (and Lessee hereby assigns the rents to Lessor), to support performance of Lessee's covenants under this Lease, which assignment will be effective only on the occurrence of any event of default by Lessee under this Lease; and (ii) will, on receipt of written notification from Lessor that an event of default has occurred under this Lease, be paid by the subtenant directly to Lessor, subject to Article 15, until the subtenant receives written notice from Lessor that Lessee has cured the event of default or is in the process of curing the event of default in a manner reasonably satisfactory to Lessor;
- (c) If any act or omission of Lessee would give subtenant the right, immediately or after lapse of a period of time, to cancel or terminate the sublease, or to claim a partial or total eviction, subtenant will not exercise that right: (i) until it has given written notice of the act or omission to Lessor; and (ii) until a reasonable period of time for Lessor to cure the condition has passed.

13. SALE OF THE HANGAR AND IMPROVEMENTS

If at any time during the Term or at the expiration of the Term, Lessee intends to sell the hangar and improvements on the Leased Premises, Lessee hereby grants Lessor a right of first offer to purchase on the terms and conditions at which Lessor proposes to sell the property to a third party. Lessee shall give Manager written notice of its intent to sell and shall indicate the terms and conditions (including the sale price) upon which Lessee intends to sell the hangar to a third party. Lessor shall thereafter have sixty days to elect in writing to purchase the hangar. If Lessor declines to elect in writing to purchase the hangar and improvements, Lessee may elect to sell to any third party upon the advance written approval of the Manager, which will not be unreasonably withheld—failure to do so may place the buyer in the untenable position of occupying space on County property without authorization to do so, trigger the termination, remedy, and surrender provisions of sections 16 - 18 below, and may result in legal action. Lessee's notice of intent to sell must include the name and contact information of the prospective buyer and the sale price. Provided, however, if the price at which Lessee intends to sell the hangar and improvements is less than 90% of the price set forth in the notice of right of first offer to purchase, then Lessee shall again offer Lessor the right to acquire the hangar and improvements upon the same terms and conditions available to the third party. In which case Lessor shall have thirty days to elect in writing to purchase the hangar and improvements. If Lessor declines to elect in writing to purchase the hangar and improvements, and the Manager consents to the sale to a third party, Lessee may choose from the following two options.

A. Termination of Lease and Execution of New Lease.

Manager's consent to the sale of Lessee's hangar and improvements upon the Leased Premises constitutes implied consent to negotiate in good faith with the prospective buyer for a new lease, on the Airport's standard ground lease form as it may be amended from time to time.

B. Termination of the Lease and Removal of Property.

Should Manager consent to the sale of the hangar and improvements and the buyer does not wish to enter into a new Lease, Lessee shall ensure such buyer removes the hangar and all improvements within thirty days of the sale and place the Leased Premises in a clean and buildable site leaving all utility hookups in place. This Agreement shall then automatically terminate at the end of the calendar year, provided that Lessee shall remain liable for any damage to the Leased Premises or abandoned property pursuant to section 18 below.

14. LIENS.

A. Lien Granted to Lessor.

Lessee hereby grants County a lien against the hangar and other improvements, aircraft, and all personal property that Lessee stores in the hangar. This lien exists and continues for all unpaid amounts that Lessee may owe County, from time to time, and County's assertion of the lien does not relieve Lessee from the obligation to pay the monthly rent as provided in this Agreement. In the event Lessee does not fully and immediately discharge all unpaid amounts, County is hereby granted and has the right to take and recover possession of the hangar and satisfy its lien in accordance with Oregon law. The County may also take and recover possession of the stored aircraft and personal property, without notice or other action, exercise its lien against the same, and have and recover all costs and expenses including attorney's fees in connection with the repossession of said hangar, aircraft, or personal property and assertion of the lien.

B. Liens by Lessee.

Lessee acknowledges that it has no authority to engage in any act or to make any contract which may create or be the foundation for any lien upon the property or interest in the property of Lessor, subject to Article 15. If any such purported lien is created or filed, Lessee, at its sole cost and expense, shall liquidate and discharge the same within thirty days of such creation or filing. Lessee's failure to discharge any such purported lien shall constitute a breach of this Lease and Lessor may terminate this Lease upon thirty days' written notice. However, Lessee's financial obligation to Lessor to liquidate and discharge such lien shall continue in effect following termination of this Lease and until such a time as the lien is discharged.

15. LEASEHOLD MORTGAGES

A. Right to Mortgage Leasehold

Notwithstanding Articles 12 and 14 or any other provision to the contrary, in addition to any other rights granted and without any requirement to obtain Lessor's consent, Lessee has the right to mortgage or grant a security interest in Lessee's interest in this Lease, the Leased Premises, and the Improvements under one or more leasehold mortgages to one or more Lending Institutions (as

defined in section 15.B. below), and to assign this Lease as collateral security for those leasehold mortgages, on the condition that all rights acquired under the leasehold mortgages are subject to every covenant, condition, and restriction set forth in this Lease, and to all rights and interests of Lessor, none of which covenants, conditions, restrictions, rights, or interests is or may be waived by Lessor by reason of the right given to mortgage or grant a security interest in Lessee's interest in this Lease and the Premises and the Improvements, except as expressly provided otherwise.

B. Defined Terms

Any mortgage, deed of trust, financing statement, security agreement, or other financing instrument granted by Lessee pursuant to this Article 15 is referred to as a "Permitted Leasehold Mortgage," and the holder of or secured party under a Permitted Leasehold Mortgage is referred to as a "Permitted Leasehold Mortgagee." The term "Lending Institution" means any commercial, national, or savings bank, savings and loan association, trust company, pension trust, foundation, or insurance company, and any other entity, person, corporation, partnership, or otherwise making a loan on the security of Lessee's interest in this Lease or any portion of the Leased Premises or the Improvements.

C. Lender Protections

If a Permitted Leasehold Mortgagee sends to Lessor a true copy of its Permitted Leasehold Mortgage, together with written notice specifying the name and address of the Permitted Leasehold Mortgagee, then as long as the Permitted Leasehold Mortgage remains unsatisfied of record or until written notice of satisfaction is given by the holder to Lessor, the following provisions will apply:

i. No Modifications or Terminations

This Lease may not be (a) amended or modified, or (b) terminated or canceled by reason of the exercise of any option or election by Lessee, or by the giving of any notice by Lessee, unless such amendment, modification, termination, or cancellation by Lessee is assented to in writing by the Permitted Leasehold Mortgagee. Any such attempted amendment or modification, termination, or cancellation by Lessee without the Permitted Leasehold Mortgagee's assent is void.

ii. Notice to Permitted Leasehold Mortgagees

Upon serving Lessee with any notice under this Lease, whether of default or any other matter, Lessor will simultaneously serve a copy of the notice on the Permitted Leasehold Mortgagee, and no notice to Lessee will be deemed given unless a copy is so served on the Permitted Leasehold Mortgagee in the manner provided in this Lease for giving notices.

iii. Right to Cure

In the event of any default by Lessee under this Lease, each Permitted Leasehold Mortgagee has the same period as Lessee has, plus thirty days, after service of notice on it of the default, to remedy or cause to be remedied or commence to remedy and complete the remedy of the default complained of, and Lessor must accept that performance by or at the instigation of the Permitted Leasehold

Mortgagee as if the same had been done by Lessee. Each notice of default given by Lessor must state the amount of any Rent that is then claimed to be in default.

iv. The Right to Postpone

If Lessor elects to terminate this Lease because of any default of Lessee, the Permitted Leasehold Mortgagee will have, in addition to the rights granted under the preceding section, the right to postpone and extend the specified date for the termination of this Lease as fixed by Lessor in its notice of termination, for a period of twelve months, as long as the Permitted Leasehold Mortgagee (a) cures or causes to be cured any then-existing defaults in payment of Rent and meanwhile pays the Rent, and (b) forthwith takes steps to acquire or sell Lessee's interest in this Lease by foreclosure of the Permitted Leasehold Mortgage or otherwise and prosecutes the same to completion with reasonable diligence and continuity. If, at the end of the twelve-month period, the Permitted Leasehold Mortgagee is actively engaged in steps to acquire or sell Lessee's interest, the time of the Permitted Leasehold Mortgagee to comply with the provisions of this section will be extended for a period that is reasonably necessary to complete those steps with reasonable diligence and continuity.

v. The Right to a New Lease

Lessor agrees that if this Lease is terminated by reason of any default by Lessee, other than for nonpayment of the Rent and other payments herein provided for, Lessor will enter into a new lease for the Premises and the Improvements with the holder of the then First Leasehold Mortgage on this Lease, or with its nominee or designee, for the remainder of the Term, effective as of the date of the termination, at the Rent and on the other terms and provisions as herein contained and subject only to the same conditions of title as this Lease was subject on the date of the execution hereof, and to the rights, if any, of any parties then in possession of the Leased Premises or any portion thereof, provided as follows:

- a. The holder will request the new lease within thirty days after the date of termination of the Lease;
- b. The holder will pay to Lessor at the time of execution and delivery of the new lease all sums as to which the First Leasehold Mortgagee will have been provided with prior notice and which would at the time of execution and delivery thereof be due under this Lease had it not terminated, together with any expenses, including reasonable attorney fees, to which Lessor will have been subjected by reason of the default;
- c. Lessor will not warrant possession of the Premises to the Lessee under the new lease;
- d. The new lease will be expressly made subject to the rights, if any, of Lessee under this terminated Lease;
- e. Tenant under the new lease will have the same right, title, and interest in and to the Premises as Lessee had under this Lease (except as otherwise provided herein); and
- f. The holder will not be obligated to perform any obligations of Lessee hereunder until the holder actually acquires possession of the Premises.

vi. Bankruptcy of Lessee

Nothing herein contained will require any holder of a Permitted Leasehold Mortgage or its nominee or designee to cure any default of Lessee arising out of its bankruptcy, insolvency, reorganization, or other proceeding under the bankruptcy or insolvency laws of the United States or the State of Oregon or otherwise.

vii. Insurance Policies

Lessor agrees that the name of the Permitted Leasehold Mortgagee may be added to the "loss payable endorsement" of any or all insurance policies required to be carried by Lessee.

16. TERMINATION AND DEFAULT.

A. Termination

This Lease shall terminate automatically at the expiration of the Term.

B. Default.

In addition to the expiration of the Term and other termination rights contained elsewhere in this Lease, the occurrence of any one or more of the following constitutes an event of default under this Lease:

- i. If Lessee fails to pay any rent, fees, or other charges due under this Lease, Lessor shall deliver to Lessee a written invoice and notice to pay the invoice within ten calendar days. If Lessee fails to pay the balance outstanding within such time, Lessor shall have the right to terminate this Lease immediately;
- ii. Failure by Lessee to obtain and maintain any insurance or provide evidence of insurance as required by the terms of this Lease and such failure continues and is not remedied within ten days after notice thereof is given to Lessee;
- iii. Failure by Lessee, whether by action or inaction, to comply with any term or condition or fulfill any obligation under this Lease (other than i. and ii above) and such failure continues and is not remedied within thirty days after written notice thereof is given to Lessee; provided, however, that if the failure is of such a nature that it cannot be cured within said 30-day period, then this provision is satisfied if Lessee begins the cure within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to effect the cure within 90 days after Lessor's notice is given to Lessee;
- iv. Lessee becomes insolvent; Lessee makes an assignment for the benefit of creditors; Lessee files a voluntary petition in bankruptcy; Lessee is adjudged bankrupt or a receiver is appointed for Lessee's properties; the filing of an involuntary bankruptcy petition and Lessee's failure to secure a dismissal of the petition within 75 days after filing; or the attachment of or the levying of execution on the leasehold interest and Lessee's failure to secure discharge of the attachment or release of the levy of execution within thirty days; or

- v. Lessee is in default after the lapse of any applicable notice and cure period under any mortgage, deed of trust, or contract of sale secured by the improvements on the Leased Premises.

17. REMEDIES.

A. Remedies.

Upon the occurrence of an event of default, Lessor may exercise any one or more of the remedies set forth in this section or any other remedy available under applicable law or contained in this Lease:

- i. Lessor may terminate this Lease by written notice to Lessee;
- ii. Lessor or Lessor's agent or employee may immediately or at any time thereafter, without terminating the Lease, reenter the Leased Premises and the improvements either by summary eviction proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable to indictment, prosecution, or damages, and may repossess the same, and may remove any person from the Premises and the Improvements, to the end that Lessor may have, hold, and enjoy the Premises and the Improvements. RE-ENTRY OR TAKING POSSESSION OF THE PREMISES OR THE IMPROVEMENTS BY LESSOR WILL NOT BE CONSTRUED AS AN ELECTION ON ITS PART TO TERMINATE THIS LEASE UNLESS A WRITTEN NOTICE OF SUCH INTENTION IS GIVEN TO LESSEE.
- iii. Lessor may, without terminating the Lease, relet the whole or any part of the Premises and the improvements from time to time, either in the name of Lessor or otherwise, to any persons, for any terms ending before, on, or after the expiration date of the Term, at any rentals and on any other conditions (including concessions and free rent) that Lessor determines to be appropriate. To the extent allowed under Oregon and Federal law, Lessor will have no obligation to relet all or any part of the Leased Premises or the improvements and will not be liable for refusing to relet the Leased Premises or, in the event of reletting, for refusing or failing to collect any rent due on such reletting; and any action of Lessor will not operate to relieve Lessee of any liability under this Lease or otherwise affect such liability. Lessor at its option may make any physical change to the Leased Premises or the improvements that Lessor, in its sole discretion, considers advisable and necessary in connection with any reletting or proposed reletting, without relieving Lessee of any liability under this Lease or otherwise affecting Lessee's liability.
- iv. Whether or not Lessor retakes possession of or relets the Leased Premises and the improvements, Lessor has the right to recover its damages, including without limitation all lost rentals, all legal expenses, all costs incurred by Lessor in restoring the Leased Premises or otherwise preparing the Leased Premises and the

improvements for reletting, and all costs incurred by Lessor in reletting the Leased Premises and the improvements.

- v. To the extent permitted under Oregon law, Lessor may sue periodically for damages as they accrue without barring a later action for further damages. Lessor may in one action recover accrued damages plus damages attributable to the remaining Term equal to the difference between the Rent reserved in this Lease for the balance of the Term after the time of award and the fair rental value of the Leased Premises and the improvements for the same period, discounted at the time of award at a reasonable rate not to exceed ten percent per annum. If Lessor relets the Leased Premises and the improvements for the period that otherwise would have constituted all or part of the unexpired portion of the Term, the amount of rent reserved on the reletting will be deemed to be the fair and reasonable rental value for the part or the whole of the Premises and the Improvements so relet during the term of the reletting.

B. Lessor's Self-Help Right.

If Lessee at any time (a) fails to pay any tax or assessment in accordance with the provisions of this Lease, (b) fails to make any other payment required under this Lease, or (c) fails to perform any other obligation on its part to be made or performed under this Lease, then after ten days' written notice to Lessee (or without notice in the event of an emergency) and without waiving or releasing Lessee from any obligation of Lessee contained in this Lease or from any default by Lessee and without waiving Lessor's right to take any action that is permissible under this Lease as a result of the default, Lessor may, but is under no obligation to, (i) pay any tax, assessment, or make any other payment required of Lessee under this Lease, and (ii) perform any other act on Lessee's part to be made or performed as provided in this Lease, and may enter the Premises and the improvements for any such purpose, and take any action that may be necessary. All payments so made by Lessor and all costs and expenses incurred by Lessor, including reasonable attorney fees, in connection with the performance of any such act will constitute additional rent payable by Lessee under this Lease and must be paid to Lessor on demand.

C. No Waiver.

No failure by Lessor to insist on the strict performance of any agreement, term, covenant, or condition of this Lease or to exercise any right or remedy consequent upon a breach, and no acceptance of full or partial Rent during the continuance of any such breach, constitutes a waiver of any such breach or of such agreement, term, covenant, or condition. No agreement, term, covenant, or condition to be performed or complied with by Lessee, and no breach by Lessee, may be waived, altered, or modified except by a written instrument executed by Lessor. No waiver of any breach will affect or alter this Lease, but each and every agreement, term, covenant, and condition of this Lease will continue in full force and effect with respect to any other then-existing or subsequent breach.

D. Remedies Cumulative and Nonexclusive.

Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for now or hereafter existing at law or in equity or by statute or otherwise, and Lessor's or Lessee's exercise or beginning to exercise of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the party in question of any or all other rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise.

18. SURRENDER.

Lessor is not responsible for any loss or damages occurring to any property owned by Lessee or any sub-lessee. The provisions of this section 18 survive any termination of this Agreement.

A. No Delay.

Except as otherwise provided herein, on the last day of the Term or the last day Lessee is entitled to possession of the Leased Premises under this Agreement, if the Parties are not then negotiating a new lease, Lessee shall surrender and deliver up the premises to Lessor without delay.

B. Removal of Property.

If Lessee is still entitled to possession, Lessee may remove the hangar, other improvements, and personal property of Lessee, a sublessee, or any other guest/invitee (collectively, "Lessee's Property") on the Leased Premises so long as said improvements are removed on or before the last day that the Lessee is entitled to possession of the Leased Premises. After removal of said improvements, Lessee shall place the premises in a clean and buildable site leaving all utility hookups in place. Any of Lessee's Property that remains on the Leased Premises after the termination of this lease may, at the option of Lessor (1) be deemed to have been abandoned by Lessee or such sub-lessee and may either be retained by Lessor as its property and all rights of Tenant with respect to it will cease or be disposed of, without accountability, in such manner as Lessor sees fit, or (2) if Lessor gives written notice to Lessee to such effect, such property shall be removed by Lessee at Lessee's sole cost and expense. If Lessor elects to hold Lessee to Lessee's obligation to remove, Lessor may effect a removal and place the cost of removal, transportation to storage, and storage on Lessee.

19. RELEASE AND INDEMNIFICATION.

Lessee hereby assumes all liability and responsibility for property loss, property damage, and/or personal injury of any kind, including death, to any and all persons, of any kind or character, whether real or asserted, arising out of or in connection with its use of the Airport under this Lease or with the leasing, maintenance, use, occupancy, existence, or location of the Leased Premises, except to the extent caused by the gross negligence or willful misconduct of Lessor or Manager, its officers, agents, servants, or employees.

Lessee covenants and agrees to, and does to the extent allowed by law, without waiving any defenses provided by law, hereby indemnify, hold harmless, and defend Lessor and Manager, its officers,

agents, servants, and employees from and against any and all claims or lawsuits for either property damage or loss (including alleged damage or loss to Lessee's business and any resulting lost profits) and/or personal injury, including death, to any and all persons, of any kind or character, whether real or asserted, arising out of or in connection with Lessee's use of the Airport under this Lease or with the use, leasing, maintenance, occupancy, existence, or location of the Leased Premises, except to the extent caused by the gross negligence or willful misconduct of Lessor or Manager, its officers, agents, servants, or employees.

Lessee assumes all responsibility and agrees to pay Lessor and Manager for any and all injuries or damages to Lessor's property which arise out of or in connection with any and all acts or omissions of Lessee, its officers, agents, employees, contractors, subcontractors, licensees or invitees, except to the extent caused by the gross negligence or willful misconduct of Lessor, its officers, agents, servants, or employees.

Lessor and Manager do not guarantee police protection to Lessee, and sublessee or their property. Lessor/Manager is obligated only to provide security adequate to maintain Lessor's certification under FAA regulations. Lessee shall comply with all applicable regulations of the FAA relating to airport security. Lessee shall pay all fines imposed by the FAA on Lessor, Manager or Lessee resulting from Lessee's or any sublessees' failure to comply with such FAA regulations or to prevent unauthorized persons or parties from their obtaining access to the air operations area of the Airport from the Leased Premises.

20. NOTICES.

The Parties are required to update the information in this section. Notices required pursuant to the provisions of this Lease shall be conclusively determined to have been delivered (i) when hand-delivered to the other party at such addresses listed below, or at such other addresses as the receiving party may designate by proper notice to the sending party, or (ii) three days after being deposited in the United States Mail, postage prepaid, addressed as follows:

To Lessor:
Crook County/Prineville Airport S39
Attn: Kelly Coffelt
4585 SW Airport Road
Prineville, OR 97754

To Lessee:
Richard Dale Smith
9519 SW Old West Rd.
Powell Butte, OR 97753

With a copy to:
Crook County Counsel
300 NE 3rd Street
Prineville, OR 97754

///

21. MISCELLANEOUS.

A. Governmental Powers.

Nothing in this lease should be construed or interpreted to mean that the County waives, surrenders, or sacrifices any of its governmental powers in any way.

B. Licenses and Permits.

Lessee shall, at its sole expense, obtain and keep in effect all licenses and permits necessary or required for its operations at the Airport.

C. Relationship of the Parties.

Nothing contained in this Lease is to be deemed or construed, either by the parties to this Lease or by any third party, to create the relationship of principal and agent or to create any partnership, joint venture, or other association between Lessor and Lessee.

D. Signs.

No signs are permitted on the exterior of any hangars without the express written consent of the Manager. Any such approved signs must conform with the size, color, location, and manner of display of other signs at the Airport and be maintained in a safe, neat, and well-kept condition.

E. Cooperation between Tenants.

Lessee must cooperate with all other tenants and users of the Airport and must at all times use the Leased Premises and the Airport in such a manner as to avoid interference with the activities of other Airport users and tenants. Any difference or conflict that may arise between Lessee and other users or tenants will be resolved by the Manager in the Manager's sole discretion and not subject to challenge or appeal. If Lessee's lawful enjoyment of the Leased Premises is impaired because of any act or omission of another tenant, Lessee will have no claim against County or its agents.

F. Survival.

All agreements (including but not limited to indemnification agreements) set forth in this Lease, the full performance of which are not required before the expiration or earlier termination of this Lease, will survive the expiration or earlier termination of this Lease and be fully enforceable thereafter.

G. Severability.

If any term or provision of this Lease or the application of the Lease to any person or circumstance is, to any extent, held to be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected, and each term and provision of this Lease will be valid and be enforced to the fullest extent permitted by law.

H. Non-Waiver.

The failure of Lessor to insist upon the performance of any term or provision of this Lease or to exercise any right granted herein shall not constitute a waiver of Lessor's right to insist upon appropriate performance or to assert any such right on any future occasion.

I. Force Majeure.

If either party's performance of an obligation under this Lease (excluding a monetary obligation) is delayed or prevented in whole or in part by (a) any legal requirement (and not attributable to an act or omission of the party); (b) any act of God, fire, or other casualty, flood, storm, explosion, accident, epidemic, war, civil disorder, strike, or other labor difficulty; (c) shortage or failure of supply of materials, labor, fuel, power, equipment, supplies, or transportation; or (d) any other cause not reasonably within the party's control, whether or not the cause is specifically mentioned in this Lease, the party will be excused, discharged, and released of performance to the extent that such performance or obligation (excluding any monetary obligation) is so limited or prevented by the occurrence without liability of any kind.

J. Condemnation.

If the whole of the Leased Premises is taken by a public authority under the power of eminent domain, then the Term of this Agreement will cease on the day of possession by said public authority. If only a part of the Leased Premises is taken under eminent domain, Lessee will have the right to either terminate this Agreement or to continue in possession of the remainder of the Leased Premises. If Lessee remains in possession, all of the terms of this Agreement will continue in full force and effect, with Rent reduced proportionately pursuant to the non-condemned and Lessee-occupied square footage.

K. Nonmerger.

There may be no merger of this Lease, or of the leasehold estate created by this Lease, with the fee estate in the Leased Premises.

L. Costs and Attorney Fees.

In the event there should be a breach or default under any provision of this Lease and either party should retain attorneys or incur other expenses for the collection of rent, fees or charges, or the enforcement of performance or observances of any covenant, obligation or agreement, Lessor and Lessee agree that each party shall be responsible for its own attorneys' fees.

M. Applicable Law and Venue.

This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon. The Parties agree that any civil action will be brought in the circuit court in Crook County.

N. Signature Authority.

The person signing this agreement hereby warrants that he/she has the legal authority to execute this agreement on behalf of the respective party, and that such binding authority has been granted by proper order, resolution, ordinance or other authorization of the entity. Each party is fully entitled to rely on these warranties and representations in entering into this Agreement or any amendment hereto.

O. Binding Effect.

The covenants and agreements contained in this Lease are binding on and inure to the benefit of Lessor, Lessee, and their respective successors and assigns.

P. Recordation.

This Agreement shall not be recorded. Lessee may elect that a memorandum of lease be executed and acknowledged by both parties and recorded in the public records of Crook County, at Lessee's cost.

Q. Time Is of the Essence.

Time is of the essence as to the performance of all the covenants, conditions, and agreements of this Lease.

R. Interpretation.

In interpreting this Lease in its entirety, the printed provisions of this Lease and any additions written or typed thereon must be given equal weight, and there must be no inference, by operation of law or otherwise, that any provision of this Lease may be construed against either party hereto. Lessor and Lessee acknowledge that they and their counsel have reviewed and revised this Lease and that any otherwise applicable rule of construction or any other presumption to the effect that any ambiguities are to be resolved against the drafting party will not be used in the interpretation of this Lease or any exhibit or amendment hereto.

S. Headings, Captions, and References.

The headings and captions contained in this Lease are for convenience only and do not in any way define, describe, limit, or amplify the scope or intent of this lease or any term or provision in it. The use of the term "Herein" refers to this Lease as a whole, inclusive of the Exhibits, except when noted otherwise. The use of a masculine or neuter gender in this Lease includes the masculine, feminine, and neuter genders and the singular form includes the plural when the context so requires.

T. Entire Agreement.

This Lease contains the entire agreement between the parties and, except as otherwise provided, can be changed, modified, amended, or terminated only by an instrument in writing executed by the parties. Lessee and Lessor mutually acknowledge and agree that there are no verbal agreements or other representations, warranties, or understandings affecting this Lease.

///

///

///

///

///

///

U. Counterparts.

This Agreement may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective the date first set forth above.

For Lessee

Richard Dale Smith

By: 

Signature



Printed Name

Date: 

5-8-21

For Crook County

CROOK COUNTY COURT

Seth Crawford, County Judge

Date: _____

Jerry Brummer, County Commissioner

Date: _____

Brian Barney, County Commissioner

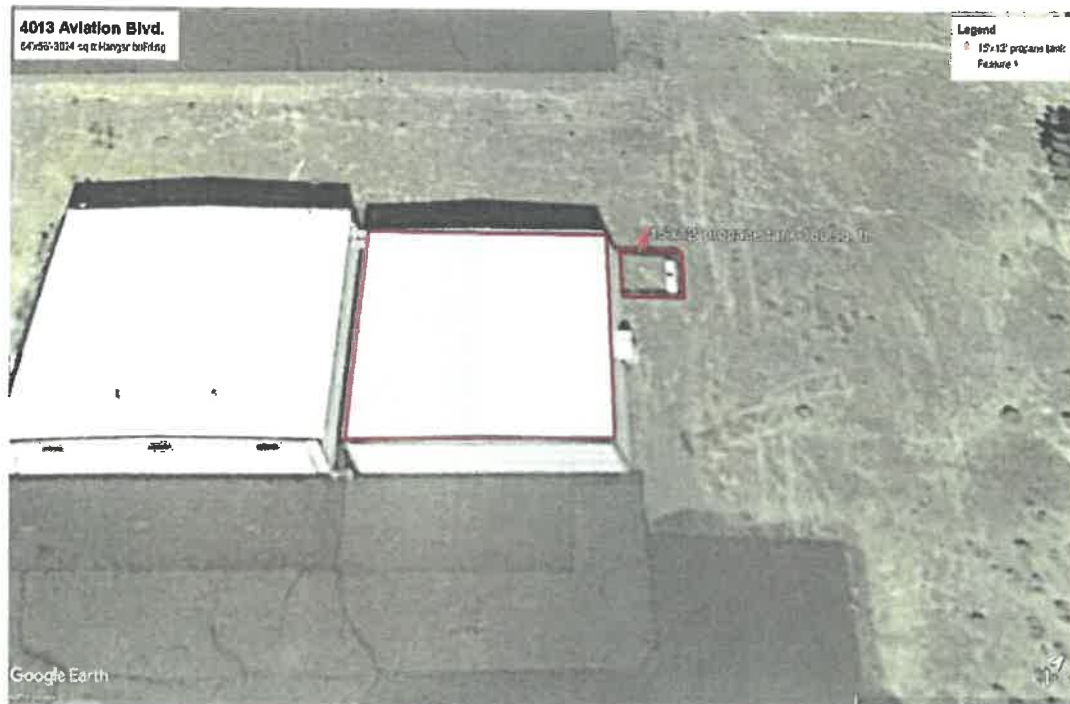
Date: _____

Exhibit "A"

LEGAL DESCRIPTION - LEASE NO. B15

A PARCEL OF LAND LOCATED IN THE SOUTH ONE-HALF (S1/2) OF SECTION 11, TOWNSHIP 15 SOUTH, RANGE 15 EAST, W.M., CROOK COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 11, THENCE NORTH 51°03'14" EAST A DISTANCE OF 3978.97 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 50°38'54" EAST A DISTANCE OF 56.00 FEET; THENCE SOUTH 39°21'06" EAST A DISTANCE OF 54.00 FEET; THENCE SOUTH 50°38'54" WEST A DISTANCE OF 56.00 FEET; THENCE NORTH 39°21'06" WEST A DISTANCE OF 54.00 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 3,024 SQUARE FEET, MORE OR LESS.

Together with the 15'x12' propane tank area pictured below:



After recording, return to:
 John Eisler
 Crook County Counsel
 300 NE Third St.
 Prineville, OR 97754

Memorandum of Ground Lease

THIS Memorandum of Ground Lease (Memorandum) is dated May 19, 2021 (the "Effective Date"), by and between Crook County, a political subdivision of the State of Oregon (Landlord) and Richard Dale Smith (Tenant).

RECITALS

- A. Landlord and Tenant entered into that certain Ground Lease and Use Agreement (the "Lease") dated May 19, 2021 with respect to the real property described on attached Exhibit A (the "Leased Premises").
- B. Landlord and Tenant desire to record this Memorandum to put third parties on notice of certain terms contained in the Lease.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

- 1. **Lease Term.** The Term of the Lease expires on May 19, 2041. Tenant has an option to extend the Term of the Lease for an additional ten years.
- 2. **Use of the Property.** Tenant shall use the Leased Premises primarily for the storage of aircraft.
- 3. **Ownership of Improvements.** All improvements constructed or installed on the Leased Premises are the property of Tenant. The Parties agree that all Improvements constructed or installed on the Leased Premises by Tenant are hereby severed by agreement and intention of the Parties, even though attached or affixed to the Leased Premises.
- 4. **No Liens or Merger.** Tenant has no power or authority to permit a lien to attach to the property of Landlord, nor may there be a merger of this Lease, or of the leasehold estate created by this Lease, with the fee estate of Landlord.
- 5. **General.**
 - a. This Memorandum must be construed in accordance with the laws of the State of Oregon.
 - b. This Memorandum may be amended only by a written instrument by the parties hereto.
 - c. This Memorandum is subject to the requirements and limitations set forth in the Lease. The Lease also contains various covenants, obligations and rights of the Parties,

including without limitation, provisions relating to rent, conduct of Tenant, restoration of the Leased Premises, and lender protections.

- d. All capitalized terms not otherwise defined herein have the meaning ascribed in the Lease.

IN WITNESS WHEREOF, the parties have executed this Memorandum effective as of the date first set forth above.

For Tenant

Richard Dale Smith

Richard Dale Smith

For Landlord

CROOK COUNTY COURT

Seth Crawford, County Judge

Jerry Brummer, County Commissioner

Brian Barney, County Commissioner

STATE OF OREGON)

) ss:

COUNTY OF CROOK)

This instrument was acknowledged before me on _____, 2021 by Seth Crawford in his capacity as Crook County Judge, and Jerry Brummer and Brian Barney in their capacities as Crook County Commissioners of Crook County, Oregon.

Notary Public for Oregon

STATE OF OREGON)
Deschutes) ss:

COUNTY OF CROOK)

This instrument was acknowledged before me on May 8, 2021 by Richard Dale Smith.

Notary Public for Oregon

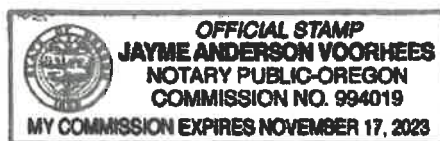
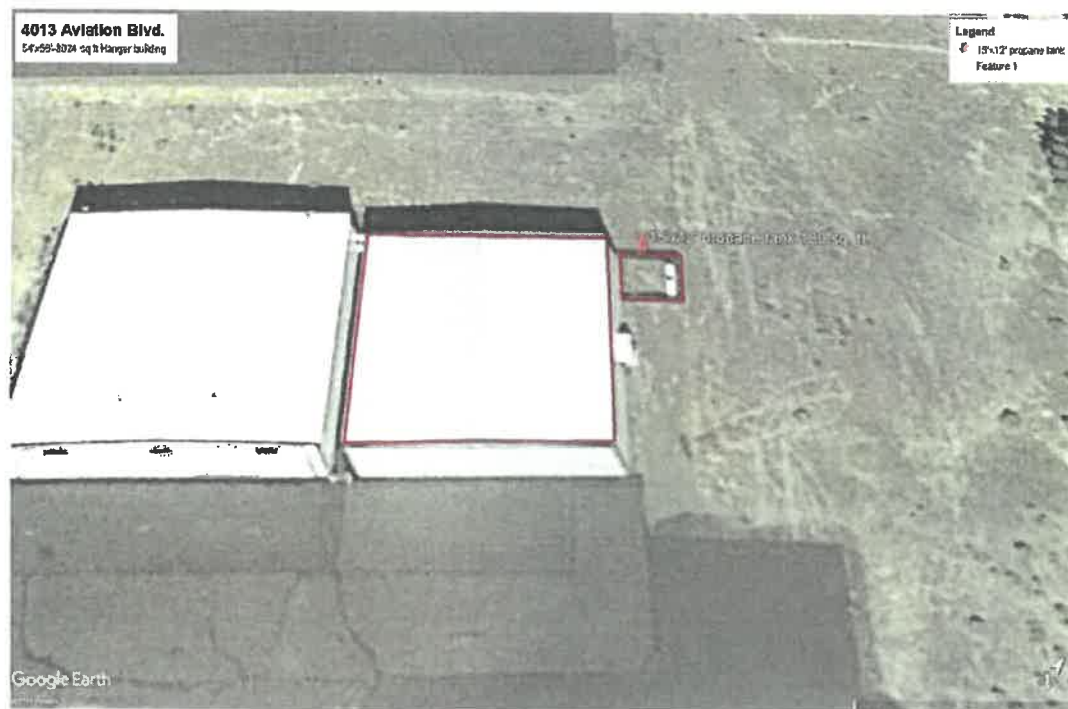


Exhibit "A"

LEGAL DESCRIPTION - LEASE NO. B15

A PARCEL OF LAND LOCATED IN THE SOUTH ONE-HALF (S1/2) OF SECTION 11, TOWNSHIP 15 SOUTH, RANGE 15 EAST, W.M., CROOK COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 11, THENCE NORTH 51°03'14" EAST A DISTANCE OF 3978.97 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 50°38'54" EAST A DISTANCE OF 56.00 FEET; THENCE SOUTH 39°21'06" EAST A DISTANCE OF 54.00 FEET; THENCE SOUTH 50°38'54" WEST A DISTANCE OF 56.00 FEET; THENCE NORTH 39°21'06" WEST A DISTANCE OF 54.00 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 3,024 SQUARE FEET, MORE OR LESS.

Together with the 15'x12' propane tank area pictured below:



Crook County Counsel's Office

Mailing: 300 NE Third St., Prineville, OR 97754

• Phone: 541-416-3919

Physical: 267 NE 2nd St., Ste 200, Prineville, OR 97754

• Fax: 541-447-6705



MEMO

TO: Crook County Court

FROM: Eric Blaine

DATE: May 11, 2021

RE: 19th Amendment to Public Health IGA #159806
Our File No.: Health #57(H)

The County has received a proposed nineteenth amendment to its public health financial assistance agreement, set to expire June 30. This amendment has modest effects – it relabels some of the names of funding sources made available to the County, but would not change the amount of funding the County can receive. I've reviewed the document for legal sufficiency, and Muriel does not have any objections.

Please place this memo and the attached document(s) on the Wednesday, May 19, 2021 County Court Agenda as a CONSENT ITEM, for approval and signatures.

Agreement #159807



**NINETEENTH AMENDMENT TO OREGON HEALTH AUTHORITY
2019-2021 INTERGOVERNMENTAL AGREEMENT FOR THE
FINANCING OF PUBLIC HEALTH SERVICES**

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to dhs-oha.publicationrequest@state.or.us or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

This Nineteenth Amendment to Oregon Health Authority 2019-2021 Intergovernmental Agreement for the Financing of Public Health Services, effective July 1, 2019, (as amended the "Agreement"), is between the State of Oregon acting by and through its Oregon Health Authority ("OHA") and Crook County, ("LPHA"), the entity designated, pursuant to ORS 431.003, as the Local Public Health Authority for Crook County.

RECITALS

WHEREAS, OHA and LPHA wish to modify the Table in the definition for Program Element of Exhibit A of the Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows

AGREEMENT

1. This Amendment is effective on the first day of the of the month noted in the Issue Date section of Exhibit C Financial Assistance Award FY21.
2. Exhibit A "Definitions", Section 18 "Program Element" is amended to add Program Element titles and funding source identifiers as follows:

PE NUMBER AND TITLE • SUB-ELEMENT(S)	FUND TYPE	FEDERAL AGENCY/ GRANT TITLE	CFDA#	HIPAA RELATED (Y/N)	SUB- RECIPIENT (Y/N)
<u>PE 01-07</u> ELC ED Contact Tracing	FF	CDC/Epidemiology and Laboratory Capacity	93.323	N	Y
<u>PE01-08</u> COVID Wrap Direct Client Services	FF	CDC/Epidemiology and Laboratory Capacity	93.323	N	Y
<u>PE01-09</u> COVID-19 Active Monitoring – ELC	FF	CDC/Epidemiology and Laboratory Capacity	93.323	N	Y
<u>PE01-10</u> OIP – CARES	FF	Immunization and Vaccines for Children	93.268	N	Y

PE NUMBER AND TITLE • SUB-ELEMENT(S)	FUND TYPE	FEDERAL AGENCY/ GRANT TITLE	CFDA#	HIPAA RELATED (Y/N)	SUB- RECIPIENT (Y/N)
PE04-02 Community Chronic Disease Prevention	FF	CDC/Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	N	Y
	FF	Building Capacity for Public and Private Payer Coverage of the National DDP Lifestyle Change Program	93.421	N	Y
	GF	N/A	N/A	N	N

3. LPHA represents and warrants to OHA that the representations and warranties of LPHA set forth in Section 4 of Exhibit F of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
5. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
6. The parties expressly ratify the Agreement as herein amended.
7. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below their respective signatures.

8. Signatures.

STATE OF OREGON ACTING BY AND THROUGH ITS OREGON HEALTH AUTHORITY (OHA)

By: _____

Name: /for/ Carole L. Yann

Title: Director of Fiscal and Business Operations

Date: _____

CROOK COUNTY LOCAL PUBLIC HEALTH AUTHORITY

By: _____

Name: _____

Title: _____

Date: _____

DEPARTMENT OF JUSTICE – APPROVED FOR LEGAL SUFFICIENCY

Approved by Wendy Johnson, Senior Assistant Attorney General on July 9, 2020. Copy of emailed approval on file at OHA, OC&P.

REVIEWED BY OHA PUBLIC HEALTH ADMINISTRATION

By: _____

Name: Derrick Clark (or designee)

Title: Program Support Manager

Date: _____

Crook County Counsel's Office

Mailing: 300 NE Third St., Prineville, OR 97754

• Phone: 541-416-3919

Physical: 267 NE 2nd St., Ste 200, Prineville, OR 97754

• Fax: 541-447-6705



MEMO

TO: Crook County Court

FROM: Eric Blaine, County Counsel

DATE: April 26, 2021 (Updated May 11, 2021)

RE: *IGA 166039 for the Financing of Community Mental Health, Addiction Treatment, Recovery and Prevention, and Problem Gambling Services*

Amendment 1 to IGA 166039

Our File No.: MH 40

May 11 Update:

This agreement was discussed at the May 5 meeting of the County Court. Since that time, we have worked with Prineville Insurance to obtain information on what the possible costs may be for the County to obtain an additional \$20 million in liability insurance for the mental health program.

We have heard back this morning – CIS has been working with a number of counties on this matter, but at present, CIS has not been able to offer reliable cost estimates. In part, the reason is that additional insurance coverage available from CIS can only be extended up to \$15 million. This would mean that a company willing to offer re-insurance for an additional \$5 million would need to be obtained. Further, these policies would not be limited to the mental health program (and any resulting liabilities) only, but would apply to all liabilities the County might face. This, in turn, would mean that the costs would be higher than if the mental health program could be insured separately.

There is the possibility that reliable numbers will be issued between today and the next regular Court meeting – if that should happen, we will update the Court before or at the meeting.

Unfortunately, until that happens, the predicament facing the County has not changed – uncertainty regarding potential future liabilities (which literally cannot be quantified) set against the continuing forbearance of OHA in providing funding without the execution of this agreement. Rick Treleaven's recommendation continues to be that the County approve the agreement.

(April 26 memo):

At the April 7 meeting, the County Court discussed the ongoing concerns regarding the proposed 212-page Community Mental Health Program (CMHP) funding agreement. In

short, the concern of many Oregon counties is that an unacceptable degree of risk is being transferred from the State to the counties through this year's iteration of the agreement. Many counties have withheld signatures while attempting to negotiate a possible solution.

The Oregon Health Authority has declined to extend any contractual immunity, or greater indemnification or contribution language in the agreements. They have, however, proposed to work with counties to obtain additional insurance coverages. The County's mental health services director, Rick Treleaven, has recommended that Crook County sign the agreement while those discussions are ongoing. Jefferson County, Washington County, and Clackamas County have all scheduled their version of this agreement for future commissioner meetings.

Also attached to this document is the first amendment to the agreement. This adds a new service element and provides funding to operate that service for the next two years.

Please place this memo and the attached document(s) on the Wednesday, May 19, 2021 County Court Agenda as a CONSENT ITEM, for approval and signatures.

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to dhs-oha.publicationrequest@state.or.us or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

AGREEMENT #166039

**2021 INTERGOVERNMENTAL AGREEMENT
FOR THE FINANCING OF COMMUNITY MENTAL HEALTH, ADDICTION TREATMENT,
RECOVERY, & PREVENTION, AND PROBLEM GAMBLING SERVICES**

This 2021 Intergovernmental Agreement for the Financing of Community Mental Health, Addiction Treatment, Recovery, & Prevention, and Problem Gambling Services (the "Agreement") is between the State of Oregon acting by and through its Oregon Health Authority ("OHA") and Crook County, a political subdivision of the State of Oregon ("County").

RECITALS

WHEREAS, **ORS 430.610(4) and 430.640(1)** authorize OHA to assist Oregon counties and groups of Oregon counties in the establishment and financing of Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, and Problem Gambling programs operated or contracted for by one or more counties;

WHEREAS, County has established and proposes, during the term of this Agreement, to operate or contract for the operation of Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, and Problem Gambling programs in accordance with the policies, procedures and administrative rules of OHA;

WHEREAS, County has requested financial assistance from OHA to operate or contract for the operation of its Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, and Problem Gambling programs;

WHEREAS, in connection with County's request for financial assistance and in connection with similar requests from other counties, OHA and representatives of various counties requesting financial assistance, including the Association of Oregon Counties, have attempted to conduct agreement negotiations in accordance with the Principles and Assumptions set forth in a Memorandum of Understanding that was signed by both parties;

WHEREAS, OHA is willing, upon the terms of and conditions of this Agreement, to provide financial assistance to County to operate or contract for the operation of its Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, and Problem Gambling programs;

WHEREAS, various statutes authorize OHA and County to collaborate and cooperate in providing for basic Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, and Problem Gambling programs and incentives for community-based care in a manner that ensures appropriate and adequate statewide service delivery capacity, subject to availability of funds; and

WHEREAS, within existing resources awarded under this Agreement and pursuant to ORS 430.630(9)(b) through 430.630(9)(h), each Local Mental Health Authority that provides Community Mental Health, Addiction Treatment, Recovery, & Prevention, or Problem Gambling Services, or any combination thereof, shall determine the need for local Community Mental Health, Addiction Treatment,

Recovery, & Prevention Services, or Problem Gambling Services, or any combination thereof, and adopt a comprehensive Local Plan for the delivery of Community Mental Health, Addiction Treatment, Recovery, & Prevention Services, or Problem Gambling Services, or any combination thereof, for children, families, adults and older adults that describes the methods by which the Local Mental Health Authority shall provide those services. The Plan shall be consistent with content and format to that of OHA's Local Plan guidelines located at <http://www.oregon.gov/oha/amh/Pages/contracts.aspx>. County shall provide services per the Local Plan as agreed upon between OHA and County.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **Effective Date and Duration.** This Agreement shall become effective on January 1, 2021. Unless terminated earlier in accordance with its terms, this Agreement shall expire on December 31, 2021.
2. **Agreement Documents, Order of Precedence.** This Agreement consists of the following documents:

This Agreement without Exhibits

Exhibit A	Definitions
Exhibit B-1	Service Descriptions
Exhibit B-2	Specialized Service Requirements
Exhibit C	Financial Assistance Award
Exhibit D	Payment, Settlement, and Confirmation Requirements
Exhibit E	Special Terms and Conditions
Exhibit F	General Terms and Conditions
Exhibit G	Standard Terms and Conditions
Exhibit H	Required Federal Terms and Conditions
Exhibit I	Required Provider Contract Provisions
Exhibit J	Provider Insurance Requirements
Exhibit K	Startup Procedures
Exhibit L	Catalog of Federal Domestic Assistance (CFDA) Number Listing

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: (a) this Agreement without Exhibits, (b) Exhibit H, (c) Exhibit A, (d) Exhibit C, (e) Exhibit D, (f) Exhibit E, (g) Exhibit B-1, (h) Exhibit B-2, (hi) Exhibit G, (j) Exhibit F (k) Exhibit I, (l) Exhibit J, (m) Exhibit K, (n) Exhibit L.

EACH PARTY, BY EXECUTION OF THIS AGREEMENT, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

3. Signatures.

Crook County

By:

Authorized Signature

Printed Name

Title

Date

State of Oregon, acting by and through its Oregon Health Authority

By:

Authorized Signature

Printed Name

Title

Date

Approved by: Director, OHA Health Systems Division

By:

Authorized Signature

Printed Name

Title

Date

Approved for Legal Sufficiency:

Approved by Steven Marlowe, Senior Assistant Attorney General, Department of Justice, Tax & Finance Section, on January 29, 2021; email in Contract file.

OHA Program:

Approved by Sheryl Derting on February 4, 2021; email in Contract file.

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to dhs-oha.publicationrequest@state.or.us or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

**FIRST AMENDMENT TO
OREGON HEALTH AUTHORITY
2020-2021 INTERGOVERNMENTAL AGREEMENT FOR THE FINANCING OF
MENTAL HEALTH, ADDICTION TREATMENT, RECOVERY, & PREVENTION,
AND PROBLEM GAMBLING SERVICES AGREEMENT #166039**

This First Amendment to Oregon Health Authority 2021 Intergovernmental Agreement for the Financing of Community Mental Health, Addiction Treatment, Recovery, & Prevention, and Problem Gambling Services effective as of January 1, 2021 (as amended, the “Agreement”), is entered into, as of the date of the last signature hereto, by and between the State of Oregon acting by and through its Oregon Health Authority (“OHA”) and **Crook County** (“County”).

RECITALS

WHEREAS, OHA and County wish to modify the Financial Assistance Award set forth in Exhibit C of the Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. The financial and service information in the Financial Assistance Award are hereby amended as described in Attachment 1 attached hereto and incorporated herein by this reference. Attachment 1 must be read in conjunction with the portion of Exhibit C of the Agreement that describes the effect of an amendment of the financial and service information.
2. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
3. County represents and warrants to OHA that the representations and warranties of County set forth in section 4 of Exhibit F of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
5. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of the dates set forth below their respective signatures.

6. Signatures.

Crook County

By:

Authorized Signature

Printed Name

Title

Date

State of Oregon acting by and through its Oregon Health Authority

By:

Authorized Signature

Printed Name

Title

Date

Approved by: Director, OHA Health Systems Division

By:

Authorized Signature

Printed Name

Title

Date

Approved for Legal Sufficiency:

Approved by Steven Marlowe, Senior Assistant Attorney General, Department of Justice, Tax and Finance Section, on April 30, 2019; e-mail in contract file.

OHA Program:

Approved by Theresa Naegeli on March 15, 2021; e-mail in contract file.

ATTACHMENT 1
EXHIBIT C
Financial Pages

MODIFICATION INPUT REVIEW REPORT

MOD#: M0283

CONTRACT#: 166039

CONTRACTOR: CROOK COUNTY

INPUT CHECKED BY: _____ DATE CHECKED: _____

PROJ EFFECTIVE DATE

CHANGE/TYPE

RECI

BASE

STARTUP PART PART PART

DOLLARS ASC TV CD BASE

CLIENT CODE

SP#

SP#

FISCAL YEAR: 2000-2001

BASE NON-RESIDENTIAL MENT

21 401 MENTHCH -7/1/2001-6/30/2001 0 /N/A \$0.00

TOTAL FOR SEP 20

TOTAL FOR 2000-2001

\$125,982.91

\$125,982.91

\$125,982.91

FISCAL YEAR: 2001-2002

BASE NON-RESIDENTIAL MENT

21 401 MENTHCH -7/1/2001-12/31/2001 1 /N/A \$0.00

TOTAL FOR SEP 20

TOTAL FOR 2001-2002

\$125,982.91

\$125,982.91

\$125,982.91

\$251,965.82

OREGON HEALTH AUTHORITY
Financial Assistance Award Amendment (FAAA)

CONTRACTOR: CROOK COUNTY
DATE: 03/10/2021

Contract#: 166039
REF#: 002

REASON FOR FAAA (for information only):

Non-Residential Community Mental Health Services For Adults (MHS 20),
payments are added.

Crook County Legal Department

267 NE 2nd St. Ste 200 • Prineville, Oregon 97754 • (541) 416-3919 • FAX (541) 447-6705



MEMO

TO: Crook County Court

FROM: Eric Blaine, County Counsel

DATE: May 11, 2021

RE: Agreement with Pacificsource for CMHP services
Our File No.: Ct Contracts 254(A)

This agreement with PacificSource was the subject of discussions on May 5. Pacificsource is the regional coordinated care organization (CCO), which manages certain programs for the Oregon Health Authority for the population receiving Medicaid/Oregon Health Plan services.

Under this agreement, Pacificsource passes along obligations which Pacificsource committed to in its contract with the Oregon Health Authority, along with Pacificsource's own policies and requirements, to the three Central Oregon community mental health programs. The county Community Mental Health Programs (CMPHs) would thereafter receive payments for services rendered to the subject patient populations. We have been informed that Deschutes and Jefferson were planning on approving the agreement, if they had not already. Rick Treleaven likewise recommends that Crook County approve the agreement.

Please place this memo and the attached document(s) on the Wednesday, May 19, 2021 County Court Agenda as a CONSENT ITEM, for approval and signatures.



PARTICIPATING PROVIDER AGREEMENT

This Participating Provider Agreement is made and entered into as of this 1st day of April, 2021 ("Effective Date") by and between **PacificSource Community Solutions**, an Oregon non-profit corporation ("Health Plan") and **Central Oregon Community Mental Health Programs** ("Provider").

WHEREAS, Health Plan is, or is intending to be a company contracted with the State of Oregon, acting by and through the Oregon Health Authority ("OHA"), Health Systems Division ("HSD"), to implement and administer services under the Oregon Health Plan in certain counties in Oregon;

WHEREAS, Provider is either a) a provider who is HSD approved and duly licensed to practice his or her specialty in the State of Oregon, or b) a Provider entity who provides services under this Agreement through its partners, independent contractor(s), and/or employee(s), and/or c) Provider is a facility duly licensed by the state of Oregon for the care of patients, and meets the requirements of the state of Oregon laws for staffing and services to provide inpatient, outpatient, and/or emergency services;

WHEREAS, the parties mutually desire to enter into this Agreement to provide Covered Services to Health Plan Members under a Coordinated Care Organization Contract ("CCO Contract") with the OHA; and

WHEREAS, the parties intend that should any reasonable ambiguity arise in the interpretation of a provision of this Agreement, the provision shall be construed to be consistent with the legal requirements of the State of Oregon, the CCO Contract, or other legal requirements, as applicable.

NOW, THEREFORE, in consideration of the mutual covenants and agreements, the parties hereby agree as follows:

1.0 DEFINITIONS

- 1.1 Agreement.** "Agreement" means this Participating Provider Agreement, including any and all recitals, amendments, exhibits, attachments, schedules, and addenda, now or hereafter entered into, between Provider and Health Plan.

- 1.2 Behavioral Health.** “Behavioral Health” means mental health, mental illness, addiction disorders, and substance use disorders.
- 1.3 Clean Claim.** “Clean Claim” means a claim received by Health Plan for payment of Covered Services rendered to a Member which can be processed without obtaining additional information from Provider or from a third party and has been received within the time limitations set forth herein. A Clean Claim does not include a claim from a Provider who is under investigation for fraud or abuse or a claim under review for Medical Necessity. A Clean Claim is a “clean claim” as defined in 42 CFR 447.45(b).
- 1.4 Coordinated Care Organization.** “Coordinated Care Organization” (“CCO”) means a corporation, governmental agency, public corporation, or other legal entity that is certified as meeting the criteria adopted by the Authority under ORS 414.572 to be accountable for care management and to provide integrated and coordinated health care for each of the organization’s members.
- 1.5 Copayments.** “Copayments” are defined as a fixed amount a Member is responsible to pay for a Covered Service, as may be provided in the Member’s Health Benefit Plan.
- 1.6 Covered Services.** “Covered Services” are defined as Medically Appropriate health services that are funded by the legislature of the State of Oregon and described in ORS 414.706 to 414.770; OAR 410-120-1210, Medical Assistance Benefit Packages and Delivery System; OAR 410-141-3860, Managed Care Prepaid Health Plan Provision of Health Care Services; OAR 410-141-3830, Prioritized List of Health Services; and OAR 410-141-3820, Oregon Health Plan Benefit Package of Covered Services; except as excluded or limited under OAR 410-141-3825, Excluded Services and Limitations for Oregon Health Plan clients and/or Division members; all as such statutes and rules exist today or as amended in the future.
- 1.7 Covering Practitioner.** “Covering Practitioner” means a Health Plan Provider or, with prior Health Plan approval, a practitioner who is not a Health Plan Provider, who provides Covered Services to Members for or on behalf of Provider during an emergency or temporary unavailability such as a vacation or illness.
- 1.8 Emergency Services.** “Emergency Services” are defined as Covered Services from a qualified provider necessary to evaluate or stabilize an emergency medical condition, including inpatient and outpatient treatment that may be necessary to assure within reasonable medical probability that the Member’s condition is likely to materially deteriorate from or during a Member’s discharge from a facility or transfer to another facility. OAR 410-120-0000(91).
- 1.9 Emergency Medical Condition.** “Emergency Medical Condition” means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average

knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any bodily organ or part. An Emergency Medical Condition is determined based on the presenting symptoms (not the final diagnosis) as perceived by a prudent layperson (rather than a health care professional) and includes cases in which the absence of immediate medical attention would not in fact have had the adverse results described in the previous sentence. OAR 410-120-0000(89). The decision of whether a condition requires Emergency Services rests with Health Plan and is subject to its procedures for post-treatment utilization review consistent with the standards under federal or Oregon law, as applicable.

- 1.10 Health Benefit Plan.** “Health Benefit Plan” means the Benefit Package, as that term is defined in OAR 410-120-0000(34), of Covered Services under the Oregon Health Plan for which the Member is eligible.
- 1.11 Health Plan Provider Manual.** “Health Plan Provider Manual” means a document developed and maintained by Health Plan, which provides instruction regarding standard policy and procedural requirements of the Health Plan and is provided online on Health Plan’s website in the provider section.
- 1.12 Health Plan Providers.** “Health Plan Providers” means institutional or non-institutional health care entities or individuals that are under contract, directly or indirectly, with Health Plan to provide Covered Services to Members.
- 1.13 Medically Appropriate.** “Medically Appropriate” means health services, items, or medical supplies that are:
 - (a) Recommended by a licensed health provider practicing within the scope of their license;
 - (b) Safe, effective, and appropriate for the patient based on standards of good health practice and generally recognized by the relevant scientific or professional community based on the best available evidence;
 - (c) Not solely for the convenience or preference of a Member or a provider for the service item or medical supply; and
 - (d) The most cost effective of the alternative levels or types of health services, items, or medical supplies that are Covered Services that can be safely and effectively provided to a Member in Health Plan’s judgment. OAR 410-120-0000(145).
- 1.14 Member.** “Member” means an individual who is found eligible by the Oregon Health Authority, including such divisions, programs, and offices as may be established therein, to receive services under the Oregon Health Plan, is enrolled with Health Plan and eligible to receive Covered Services, and to whom Provider is required to provide Covered Services pursuant to this Agreement.

- 1.15 Non-Covered Services.** “Non-Covered Services” are defined as all health care services that are not Covered Services under the Member’s Health Benefit Plan.
- 1.16 Oregon Health Authority.** “Oregon Health Authority” is an Oregon state government agency.
- 1.17 Oregon Health Plan.** “Oregon Health Plan” (“OHP”) means the Oregon Medicaid Demonstration Project, as established by chapter 815, Oregon Laws 1993, and later amended.
- 1.18 Other Payor.** “Other Payor” shall mean other payors for healthcare services, including but not limited to Health Plan subsidiaries, trusts, and governmental entities or authorized contracting entities or divisions, with whom Health Plan has entered into a contract.
- 1.19 Oregon Health Plan.** “Oregon Health Plan” (OHP) means the Oregon Medicaid Demonstration Project, which expands Medicaid eligibility to eligible OHP clients (individuals found eligible by DHS to receive services under the OHP), as established by chapter 815, Oregon Laws 1993, and enacted during 1987, 1989, and 1991 legislative sessions, the goal of which is to ensure that Oregonians have access to health care coverage. OHP relies substantially upon prioritization of health services and managed care to achieve public policy objectives of access, cost containment, efficacy, and cost effectiveness in the allocation of health resources.
- 1.20 Substance Use Disorders.** “Substance Use Disorders” means disorders related to the taking of a drug of abuse including alcohol, to the side effects of a medication, or to a toxin exposure. The disorders include substance use disorders, such as substance dependence and substance abuse, and substance-induced disorders, such as substance intoxication, withdrawal, delirium, dementia, and substance-induced psychotic or mood disorder, as defined in DSM-V criteria.
- 1.21 Urgent Care Services.** “Urgent Care Services” are defined as Covered Services that are Medically Appropriate and immediately required to prevent a serious deterioration of a Member’s health that results from an unforeseen illness or an injury. OAR 410-120-0000(250). Services that can be foreseen by the individual are not considered Urgent Care Services.

2.0 PROVIDER RESPONSIBILITIES.

2.1 Provider Services and Requirements.

Provider shall:

- (a) Provide or arrange for the provision of Covered Services to Members and beneficiaries of any Other Payor on an as-needed basis within the scope of Provider’s licensing, training, experience, and qualifications and consistent

with accepted standards of medical practice and the terms and conditions of this Agreement and any other applicable contract or similar arrangement.

- (b) Provide Covered Services to the Members or beneficiaries of any Other Payor, pursuant to each applicable agreement between Health Plan and any Other Payor, and pursuant to and in accordance with the provisions of this Agreement.
- (c) If Provider is a licensed facility, then facility shall provide inpatient and outpatient services, and/or Emergency Services for Members, as-needed. Facility shall practice within the scope of facility's license, training, experience, and qualifications, consistent with accepted standards of medical practice, and the terms and conditions of this Agreement. Facility shall not be required to provide any Covered Services to Members that facility does not customarily and routinely offer to other patients. Facility has the right to refuse to treat disruptive, disorderly, or dangerous Members according to the same standards and policies applied to its other patients.
- (d) Devote sufficient time, attention, and energy necessary for the competent and effective performance of Provider's duties under this Agreement to Members who select Provider or are otherwise designated, assigned, or referred to Provider by Health Plan.
- (e) Meet standards for timely access to care and services as specified in the CCO Contract and, when not specified in the CCO Contract, Oregon Administrative Rules, including 410-141-3515 and 410-141-3860.
- (f) Meet the National Culturally and Linguistically Appropriate Services Standards (including mandatory training) established by the U.S. Department of Health and Human Services by providing effective, equitable, understandable, and respectful quality care and services that are responsive to diverse cultural health beliefs and practices, preferred languages, health literacy, and other communication needs.
- (g) Ensure that its facilities under contract, if any, can meet cultural responsiveness and linguistic appropriateness standards in addressing the needs of adolescents, parents with dependent children, pregnant women, IV drug users, and Members with medication assisted therapy needs.
- (h) Coordinate care with Member's assigned Patient-Centered Primary Care Home (PCPCH), if any, using electronic health information technology to the maximum extent feasible.
- (i) Assist Health Plan Members gain access to social support services, including culturally specific community-based organizations, community based mental health services, DHS Medicaid-funded long term care services, and mental health crisis management services.

- (j) Not seek payment from either Health Plan or Member for costs resulting from a Provider-Preventable Condition, as that term is defined in 42 CFR 447.26(b). Provider shall identify Provider-Preventable Conditions related to a Member to Health Plan and comply with all reporting requirements that OHA or Health Plan may require.
- (k) Collaborate with Health Plan, the Community Advisory Council, and other stakeholders in completing a Community Health Assessment and Community Health Improvement Plan, and in carrying out activities to implement the Community Health Improvement Plan.
- (l) Submit data pertinent to CCO quality improvement and incentive programs, complete patient experience surveys, share patient experience survey results with participating CCO entities, and participate in sharing of quality and performance data with participating CCO entities.

2.2 Personnel. If Provider is a licensed facility, then Provider shall devote sufficient time, attention, and energy necessary for competent and effective performance of Provider's duties under this Agreement to Members who select Provider or are otherwise designated, assigned, or referred to Provider by Health Plan. Provider will provide sufficient licensed and experienced personnel, will supervise their professional medical services, and will provide health care services at all agreed upon times and days to meet the needs of Members. All non-physician personnel reasonably required for the proper operation of Provider, including but not limited to licensed and non-licensed health care personnel and administrative personnel, shall be employed by or under contract with Provider. Provider shall be responsible for all compensation, benefits, and costs in connection with such personnel and be responsible in all respects resulting from the employment of or contracting with such personnel. Decisions with respect to hiring control, direction, and termination of such personnel shall be the sole responsibility of Provider.

2.3 Non-Discrimination. Providers shall not discriminate between Members and non-Members as it relates to benefits and services to which they are both entitled and shall ensure that Provider offers hours of operation to Members that are no less than those offered to non-Members as provided in OAR 410-141-3515.

Provider shall not discriminate in the treatment of Members based upon physical or medical disability, medical condition, race, color, national origin, ancestry, religion, sex, marital status, veteran status, sexual orientation, or age, to the extent prohibited by applicable federal, state, and local laws, regulations, and ordinances, and Provider shall provide services to Members in the same manner, in accordance with the same standards, and within the same availability as to non-Members.

2.4 Pre-authorization Program. Except for Emergency Services, Provider will fully cooperate with Health Plan's pre-authorization program. Health Plan will notify Provider in advance when Covered Services are added to, or removed from the pre-authorization program. Prior approval of all procedures or services listed on the

pre-authorization grid is required, and any claims submitted for such procedures without prior approval will be denied. The pre-authorization grid is provided within the provider section on the Health Plan's Community Solutions website.

2.5 Referrals. Except a) in the event of an emergency, b) where otherwise approved or directed in advance by Health Plan, or c) where a Member's medical needs otherwise require, Provider shall refer Members only to Health Plan Providers, and shall refer Members for hospital services only to Health Plan Provider hospitals. Provider shall comply with Health Plan's referral and authorization procedures as set forth in the Health Plan Provider Manual.

2.6 Emergency Coverage. Provider shall be responsible for responding to, or making arrangements for emergent needs of Members with respect to Covered Services twenty-four (24) hours per day, seven (7) days per week, including holidays. In the event that Provider is unable to provide required Covered Services, Provider shall arrange for a Covering Practitioner.

2.7 Billing Procedure.

(a) Covered Services; Hold Harmless. For all Covered Services provided by Provider under this Agreement, Provider shall bill and submit encounter data to Health Plan in accordance with OAR 410-141-3570 and the Health Plan Medicaid Provider Manual. Provider agrees to never, under any circumstances, including but not limited to, non-payment by Health Plan, insolvency of Health Plan, or the breach, expiration or termination of this Agreement, will Provider bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against OHA, Members, or persons acting on Members' behalf, for Covered Services, and shall regard payment by Health Plan as payment in full for all benefits covered by this Agreement with the exception of Copayments specifically authorized in a Member's Health Benefit Plan. The obligations of this Section shall survive the termination of this Agreement regardless of the cause giving rise to termination. In addition, Provider shall not bill in any amount greater than would be owed if Provider provided the services directly, consistent with 42 CFR 438.106 and 42 CFR 438.230.

(b) Non-Covered Services. For all Non-Covered Services provided to any Member, Provider may bill Member directly for Non-Covered Services if prior to providing Non-Covered Services, Provider advised Member of non-coverage and Provider obtained Member's acknowledgment and acceptance of individual financial responsibility ("Agreement to Pay"). Such Agreement to Pay shall be obtained in writing in a form published by OHA in accordance with OAR 410-141-3565.

(c) Actions to Collect Amounts Owed. Provider shall not maintain any action at law or equity against OHA or any Member to collect any sum owed to Provider by Health Plan for Covered Services rendered pursuant to this

Agreement. Provider shall not pursue legal or other remedy against Health Plan for nonpayment or underpayment to Provider for Covered Services provided to a Member unless and to the extent that Health Plan has failed to pay Provider for such Covered Services as required by this Agreement and Provider has exhausted any appeal rights or Health Plan becomes insolvent.

- (d) Claims Policies and Procedures. Provider agrees to comply with claims policies and procedures as identified in the Health Plan Provider Manual, which shall be consistent with industry standards for billing and coding practices. Provider agrees that claims must be submitted within four (4) months of the provision of services, except under the following circumstances: (a) billing is delayed due to eligibility issues; (b) pregnancy of the Member; (c) Medicare is the primary payer; (d) cases involving third party resources; (e) Covered Services provided by non-participating providers that are enrolled with OHA; or (f) other circumstances in which there are reasonable grounds for delay, as determined by Health Plan. Claims submitted after the applicable time period as specified in this Section will be denied, and Provider shall not seek reimbursement for such denied claims from Members. Provider agrees to abide by OHA's Provider-Preventable Conditions rules and requirements regarding non-payment of claims by Health Plan should preventable conditions occur.
- (e) Bill Review. Provider agrees to cooperate with any requests by Health Plan, or its agent, to review any bills submitted by Provider to determine whether a bill submitted for services rendered to a Member is a Covered Service under the Member's Health Benefit Plan, subject to this Agreement, properly billed to the services provided (as reflected in the medical record), and that payments made to the Provider were accurate, in accordance with the terms and conditions set forth herein.

2.8 Compliance with Health Plan Policies and Procedures. Provider shall participate in, cooperate with, and comply with all applicable Health Plan requirements, policies, and procedures, including, but not limited to, those set forth in the Health Plan Provider Manual and those relating to Member grievances; credentialing; utilization review; quality assurance; information and document requests; requesting hospital admission or specialty services; medical records sharing for specialty treatments, at the time of hospital admission or discharge, and for after-hospital follow-up appointments; and medical management program(s). Health Plan agrees to make any such requirements, policies, and procedures available to Provider upon request within 72 business hours. Provider acknowledges that such Health Plan requirements and procedures may be amended from time to time. Provider acknowledges receiving, or having access to Health Plan's policies regarding Grievance, Notice of Adverse Benefit Determination, Appeals, and Contested Case Hearings, and access to the Health Plan Provider Manual.

2.9 Cooperation with UM and Quality Improvement Activities; Health Plan Committee and Corrective Action Plans. Provider agrees to cooperate with utilization management and quality management procedures specified by the OHA, or enacted by Health Plan and communicated to Provider by Health Plan. If Health Plan's quality review activities involve post-payment record reviews or audits, such activities shall be limited to Member records and shall be conducted at Health Plan's expense, not including the cost of accessing and/or copying records. Provider shall provide at no cost, up to 10 records per Provider per audit, after which the parties shall split the reasonable costs. Provider agrees to Health Plan's audit schedule, and Health Plan shall not unreasonably interfere with Provider's business operations for the purpose of such audit. Provider shall cooperate with Health Plan, or its designee, in the performance of quality improvement and related activities. Failure to comply with Health Plan utilization review requirements or respond to post-payment record reviews or audits may result in a Health Plan request for a return of monies paid to Provider. If such amounts are not refunded or a reasonable accommodation for repayment cannot be reached between Health Plan and Provider, Health Plan may setoff such monies against amounts owed to Provider. The setoff right provided above may only be exercised upon prior written notice to Provider. For any return requests or setoff notices, Provider shall be given an opportunity to be heard by Health Plan.

- (a) Quality Improvement Programs. Provider will participate and/or promote applicable quality improvement programs, which are designed to improve the quality of care, quality of service, and the Member's experience. Such programs may include initiatives designed or required by regulatory or accreditation entities and may include without limitation data sharing via access to Provider's electronic health records, collection and evaluation of health data, providing access to supplemental data for collection of health data, providing applicable contact information to facilitate medical record chart chases, responding to Member complaints and quality of care concerns, responding to program evaluations and satisfaction surveys, and allowing Health Plan to use Provider performance data for quality improvement activities. Provider will also participate in CCO incentive measures which include data sharing via access to Provider electronic health records, participation in Health Plan incentive and improvement programs, and other measures or metrics as applicable.
- (b) Corrective Action Plans. Health Plan, in its sole discretion, may determine that Provider's performance of obligations, duties, and responsibilities under the terms of this Agreement is deficient. In reaching that conclusion, Health Plan may, but is not required to, consider third-party audit or other formal review results, peer review results, quality measures, written or oral feedback from Members or patients, and any other issues which may be identified by Health Plan. If Health Plan determines Provider's performance is deficient for any reason, but that such deficiency does not constitute a Material Breach of the terms of this Agreement, Health Plan may declare

the need for corrective action and issue to Provider or request from Provider a corrective action plan (“CAP”) subject to internal review and approval. Provider shall have thirty (30) days to resolve the CAP to Health Plan’s satisfaction. Failure to resolve the CAP shall constitute a Material Breach by Provider, and Health Plan may terminate this Agreement immediately or take other action including financial penalties, imposition of liquidated damages, or sanctions.

2.10 Provider Practice. Subject to the terms and conditions of this Agreement, Provider shall be entitled to perform all usual and customary procedures relative to their practice. This Agreement does not, and shall not be interpreted as, prohibiting or otherwise restricting Provider who is acting within the lawful scope of practice from advising or advocating on behalf of Members who are patients of such Provider, for the following:

- (a) Members’ health status, medical care, or treatment options including any alternative treatment that may be self-administered, that is Medically Appropriate even if such care or treatment is not covered under this Agreement or is subject to copayment;
- (b) Any information Members need in order to decide among relevant treatment options;
- (c) The risks, benefits, and consequences of treatment or non-treatment; and
- (d) Members’ right to participate in decisions regarding their health care, including the right to refuse treatment, and to express preferences about future treatment decisions.

2.11 Professional Representations. Throughout the term of this Agreement, Provider represents and warrants that it shall comply with all of the following regards any licensed practitioners or Provider Entity covered under this Agreement:

- (a) Maintain an unrestricted current license to practice his or her specialty under the State jurisdiction in which Covered Services are provided and have in effect at all times all licenses required by law for the practice of such provider’s profession;
- (b) Maintain credentialing according to NCQA credentialing standards either by Health Plan or Health Plan’s agent;
- (c) Secure and maintain, at Provider’s expense, throughout the term of this Agreement, professional liability insurance in a minimum amount not less than the amounts specified in the Health Plan Provider Manual or as required by state law or OHA;
- (d) Obtain and maintain staff privileges at the hospital primarily used by Health Plan Providers, assuming privileges are available and appropriate to that class of provider;

- (e) Warrant that this Agreement has been executed by its duly authorized representative and that executing this Agreement and performing its obligations hereunder shall not cause Provider to violate any term or covenant of any other agreement or arrangement now existing or hereinafter executed; and
- (f) Notify Health Plan promptly of any (i) modification, restriction, suspension, or revocation of any provider's authorization to prescribe or to administer controlled substances; (ii) imposition of sanctions against Provider under Medicaid, Medicare, or any other governmental program; or (iii) other professional disciplinary action or criminal or professional liability action of any kind against any provider, which is either initiated, in progress, or completed as of the Effective Date of this Agreement and at all times during the term of this Agreement

2.12 Facility Representations. If a facility, then throughout the term of this Agreement, Provider represents and warrants that Provider shall comply with all of the following regards all licensed facilities covered under this Agreement:

- (a) Maintain all appropriate license(s) and certification(s) mandated by governmental regulatory agencies;
- (b) Maintain accreditation by the Joint Commission on Accreditation of Healthcare Organizations ("Joint Commission") or another applicable accrediting agency recognized by Health Plan;
- (c) Maintain compliance with all applicable federal and state laws and regulations related to this Agreement and the services to be provided hereunder, including, without limitation, statutes and regulations related to fraud, abuse, discrimination, disabilities, confidentiality, false claims, and prohibition of kickbacks;
- (d) Establish and maintain an ongoing quality assurance/assessment program which includes, but is not limited to, appropriate credentialing of employees and subcontractors and shall supply to Health Plan the relevant documentation, including, but not limited to, internal quality assurance/assessment protocols, state licenses and certifications, federal agency certifications, and/or registrations upon request;
- (e) Ensure that all ancillary health care personnel employed by, associated or contracted with Facility who treat Members are and will remain throughout the term of this Agreement appropriately licensed and/or certified as required by state law and supervised, and qualified by education, training and experience to perform their professional duties; and will act within the scope of their licensure or certification, as the case may be;
- (f) Maintain credentialing, privileging, and re-appointment procedures in accordance with its medical staffs by-laws, regulations, and policies, if any;

meet the querying and reporting requirements of the National Practitioner Data Bank and Healthcare Integrity and Protection Data Bank (“HIPDB”); and fulfill all applicable state and Federal standards;

- (g) Warrant that this Agreement has been executed by its duly authorized representative and that executing this Agreement and performing its obligations hereunder shall not cause Provider to violate any term or covenant of any other agreement or arrangement now existing or hereinafter executed; and
- (h) Notify Health Plan promptly of any (i) modification, restriction, suspension, or revocation of Provider’s license(s) and/or certification(s); (ii) imposition of sanctions against Provider under the Medicaid program, Medicare program, or any other governmental program; or (iii) other disciplinary action, or criminal or professional liability action of any kind against Provider, which is either initiated, in progress, or completed as of the Effective Date of this Agreement and at all times during the term of this Agreement.

2.13 Credentialing. Provider and practitioners covered under this Agreement agree to comply with credentialing requirements of Health Plan as outlined in the Health Plan Provider Manual and prior to rendering of Covered Services to Members. Provider warrants that it and any practitioner affiliated with Provider meets Health Plan’s credentialing standards and that Provider has all licenses, permits, and/or governmental or board authorizations or approvals necessary to provide Covered Services in accordance with the applicable requirements in the state(s) in which Provider conducts business. Provider will provide immediate written notice to Health Plan of any changes in the licenses, permits, and/or governmental or board authorizations or approvals referenced above.

2.14 Provider Information. Provider shall notify Health Plan of any change in Provider information, including but not limited to, address, phone number, tax identification number, open and closed practice status, board certification and hospital privileges in advance of said change. Provider hereby authorizes any and all hospitals that Provider maintains staff privileges at to notify Health Plan promptly following the initiation of any disciplinary or other action of any kind that could result in any suspension, termination, or restriction in any material way, which would affect the ability of Provider to provide Covered Services to Members.

2.15 Coordination of Benefits. Provider agrees to (a) cooperate in providing for effective implementation of the provisions of all Health Benefit Plans and Health Plan policies relating to coordination of benefits and (b) comply with coordination of benefits policies described in the Health Plan Provider Manual. Provider shall inform Health Plan and OHA if Provider learns that a Member has insurance or health care benefits available from other sources or if a Member’s condition is the result of other party liability. Provider will cooperate with Health Plan in pursuing claims against such other payors. In the event of illness or injury for which a third

party has accepted financial responsibility or has been judged to be liable, the amount available for collection by Provider from the third party shall be applied to charges for medical care of the Member prior to the resources of Health Plan.

If the third party has reimbursed Provider, or if a Member reimbursed Provider after receiving payment from the third party, then Provider must reimburse Medicare up to the full amount Provider received, if the Member has Medicare and if Medicare is unable to recover its payment from the remainder of the third party payment. If the third party is not liable for the illness or injury of a Member or if recovery from the third party is less than Health Plan's obligation to the Member in the absence of payment by a third party, Provider shall comply with Health Plan's rules governing the provision of Covered Services and the terms of this Agreement in order for Health Plan to accept financial responsibility. Notwithstanding the foregoing, Provider may not refuse to provide Covered Services to a Member because of a potential third party liability, but shall provide Covered Services and cooperate with Health Plan for possible recoupment of funds.

- 2.16 Health Plan Provider Directory.** Provider hereby authorizes Health Plan to list Provider's name, specialty, address, telephone number, and if Provider is accepting new patients in Health Plan's Provider Directory, whether on-line or in print, and in any Health Plan materials to help promote Health Plan or Health Benefit Plans to Members.
- 2.17 Provider Entities.** If Provider is a Provider Entity, Provider shall provide services under this Agreement solely through its individual practitioner shareholders, partners, independent contractors, and/or employees and must ensure that all such shareholders, partners, independent contractors, and/or employees comply with the terms of this Agreement.
- 2.18 Confidentiality.** During and after the term of this Agreement, Provider shall keep confidential any financial, operating, proprietary, or business information relating to Health Plan that is not otherwise public or reasonably identified as confidential, including but not limited to, the terms of this Agreement. The obligations of this Section shall survive the termination of this Agreement.
- 2.19 Eligibility Verification.** Providers will verify eligibility, and Member assignment prior to the provision of Covered Services. Provider acknowledges that failure to verify eligibility may result in denial of claims for Covered Services.
- 2.20 Appointment Availability.** Provider shall report appointment availability using a format consistent with OHA requirements and provided by Health Plan. Provider shall also provide or otherwise make available timely treatment to each Member in

accord with the CCO Contract, and if not addressed in the CCO Contract, OAR 410-141-3515 as summarized below and as later amended or superseded:

- (a) Emergency Care – immediately
- (b) Emergency Dental Services – seen or treated within 24 hours
- (c) Urgent Physical Health Services – within 72 hours
- (d) Well Care – within four weeks or within the community standard
- (e) Non-Urgent Behavioral Health Treatment – within two weeks of Member request
- (f) Routine Oral Health Care – eight weeks

2.21 Pricing and Quality Transparency. To the extent required by Oregon law, Provider shall promptly provide pricing and quality information to Health Plan as requested for the purpose of providing cost estimates to Members.

2.22 Emergency Room Referrals. Providers shall (a) not refer or direct Members to hospital emergency rooms for non-Emergency Medical Conditions and (b) educate and instruct Members in the proper utilization of Provider's office in lieu of the hospital emergency room.

2.23 Subrogation. As required by Health Plan's contract with OHA, Provider agrees to subrogate to OHA any and all claims Provider has or may have against manufacturers, wholesale or retail suppliers, sales representatives, testing laboratories, or other providers in the design, manufacture, marketing, pricing, or quality of drugs, pharmaceuticals, medical supplies, medical devices, DMEPOS, or other products.

2.24 Electronic Medical Record Access. Upon request, Provider agrees to allow Health Plan access to Provider's electronic medical record system for the retrieval and review of Member medical records. Such access will be granted on a continuous basis for the duration of this Agreement and Health Plan will agree to reasonable restrictions and rules related to such access.

2.25 Representations and Warranties. Provider represents and warrants that (a) it has the power and authority to enter into and perform this Agreement, (b) this Agreement, when executed and delivered, shall be a valid and binding obligation of Provider enforceable in accordance with its terms, (c) Provider has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Provider will apply that skill and knowledge with care and diligence to perform the services contemplated herein in a professional manner and in accordance with standards prevalent in Provider's industry, trade or profession, and (d) Provider shall, at all times during the term of this Agreement, be qualified, professionally competent, and duly licensed to perform the services contemplated herein.

3.0 HEALTH PLAN RESPONSIBILITIES

- 3.1 Payment.** Provider shall be compensated for Covered Services provided to Members in accordance with Attachment H. Unless a claim is disputed, Health Plan shall approve payment(s) for Provider's complete, accurate, and timely submitted Clean Claims for Covered Services rendered to a Member, in accordance with Health Plan policies or applicable laws or regulations. The timing and calculation of payment(s) to Provider for Covered Services shall be according to Health Plan's payment methodology as set forth in this Agreement and Attachment(s).
- 3.2 Refunds.** Health Plan may initiate refunds from Provider for up to one (1) year from the date of payment. Refund statements are generated on a monthly basis, and Health Plan will setoff consistent with Section 2.9 (Cooperation with UM Quality Improvement Activities; Health Plan Committee and Corrective Action Plans). In the event that HSD retroactively disenrolls a Member, Health Plan reserves the right to initiate provider refunds for any applicable time period, which may be longer than one (1) year from the date of payment.
- 3.3 Oregon Health Plan/OHA Possible Revision / MLR-based Repayment to OHA.** In the event of a revision to premium levels for OHP members by the State of Oregon/OHA by a net amount deemed by Health Plan to be inconsistent with the (a) primary care provider capitation rate, or (b) professional conversion factors agreed to in this Agreement; PacificSource will notify Provider of such inconsistency in writing, and both parties will enter into a renegotiation of reimbursement rates to achieve consistency with any new Oregon/OHA premium levels to Health Plan.
- In the event OHA determines Health Plan must pay OHA any sum because the CCO Medical Loss Ratio (MLR), as determined by OHA, does not meet a minimum threshold for the entire population or any benefit-category specific sub populations; Health Plan reserves the right to (a) deduct a pro-rata portion of such repayment from the Health Care Budget, or (b) make direct investments to increase the MLR and offset such expenses with the settlement, upon communication with Provider and the CCO Health Council.
- 3.4 Member Eligibility.** Health Plan shall establish a method for Provider to identify whether a person requesting services is enrolled with Health Plan and eligible to receive Covered Services paid for by Health Plan.
- 3.5 Subcontracts.** Health Plan may subcontract any or all of the services Health Plan agrees to provide under this Agreement. No subcontract shall terminate or limit Health Plan's legal responsibility for the timely and effective performance of its duties and responsibilities under this Agreement.
- 3.6 Marketing.** Health Plan may advertise the participation of Provider with Health Plan in print, voice, and video advertising media. Health Plan may list the name,

address, telephone number, and other identifying information of Provider in Health Plan's publications furnished to Providers and Members and may identify Provider as a Health Plan Provider in advertising and marketing materials, in accordance with OHA guidelines.

- 3.7 Choice of Health Care Provider.** Health Plan will allow Member to choose his or her health care provider to the extent possible and appropriate.
- 3.8 Member Assignment.** Health Plan and Provider may, upon mutual determination, modify Member assignment/attribution to primary care providers. Re-assignments may be made in response to objective data related to quality performance, patient experience, access, or in response to other information available to Health Plan. Health Plan may make individual Member assignment changes pertaining to patient access, in situations of immediate need, and will communicate such changes to Provider within five (5) days of the change. If Health Plan changes to primary care provider assignment more than two (2) times per month, then Health Plan will provide a report detailing the need for change, the individual Provider from whom the Member was removed as their primary care provider, and the individual Provider to whom the Member was moved to as their primary care provider.

4.0 TERM AND TERMINATION.

- 4.1 Term and Renewal.** The term of this Agreement shall begin on the Effective Date and shall continue for an initial term of one (1) year. Thereafter, this Agreement shall automatically renew for additional one (1) year periods until terminated in accordance with this Section.
- 4.2 Termination without Cause.** Either party may terminate this Agreement at any time upon at least one hundred eighty (180) days prior written notice to the other party.
- 4.3 Immediate Termination.** Health Plan shall have the right to terminate this Agreement immediately by written notice to Provider upon the occurrence of any of the following events:
- (a) Provider's license to provide medical services in the state in which services were rendered, as applicable, or authorization to administer controlled substances is terminated, suspended, or restricted in any material way, which would affect the ability of Provider to furnish Covered Services to Members pursuant to the terms of this Agreement;
 - (b) Provider's medical staff privileges at any licensed general acute care hospital is suspended, terminated, or restricted in any material way, which would affect Provider's ability to provide Covered Services to Members;
 - (c) Provider is suspended from participation in Medicaid or Medicare programs or not enrolled as a Medicaid Provider with the State of Oregon;

- (d) Provider's loss of professional liability coverage as required by this Agreement;
- (e) Provider's death or incapacity. Health Plan reserves the right to determine whether Provider is incapacitated for the purposes of this Section;
- (f) Provider fails to comply with the notification requirements set forth in this Agreement;
- (g) Health Plan makes a reasonable and good faith determination that such termination is necessary to protect the health or welfare of Members; or
- (h) If Provider is a Provider Entity, Provider (i) ceases to be a professional corporation, medical group partnership, or other health care provider organization in good standing under the laws of the state in which Covered Services were rendered, as applicable, or (ii) there is a change in the majority ownership or control of Provider; or (iii) Provider violates the drug-free workplace provisions in this Agreement.

To protect the interests of Members, Provider will provide immediate notice to Health Plan of any of the aforesaid events. Health Plan shall provide Provider an opportunity to respond to Health Plan's termination decision if the basis for Health Plan's termination decision is based upon mistaken or otherwise erroneous information, and shall otherwise follow any legal requirements that apply.

4.4 Immediate Termination of Licensed Facility. Health Plan shall have the right to immediately terminate this Agreement by written notice to any licensed facility upon the occurrence of any of the following events:

- (a) Withdrawal, expiration, or non-renewal of any Federal, state, or local license, certificate, approval or authorization of Provider;
- (b) Bankruptcy or receivership of Provider, or an assignment by Provider for the benefit of creditors;
- (c) Loss or material limitation of Provider's insurance;
- (d) Debarment or suspension of Provider from participation in any governmental sponsored program, including, but not limited to Medicare;
- (e) Failure to comply with the notification requirements set forth in this Agreement, including those in Section 2.11 and 2.12;
- (f) Revocation or suspension of Provider's accreditation as required in this Agreement;
- (g) The listing of Provider in the HIPDB; or
- (h) Change of control of Provider to an entity not acceptable to Health Plan, or there is a change in the majority ownership or control of Provider.

To protect the interests of Members, Provider will provide immediate notice to Health Plan of any of the aforesaid events. Health Plan shall provide Provider an opportunity to respond to Health Plan's termination decision if the basis for Health Plan's termination decision is based upon mistaken or otherwise erroneous information, and shall otherwise follow any legal requirements that apply.

- 4.5 Termination with Cause upon Notice.** Health Plan or Provider may terminate this Agreement for cause, including, without limitation, quality of care, fraud, waste or abuse concerns, from participation in Health Plan's panel of Health Plan Providers and in the provision of Covered Services to Members pursuant to the terms and conditions of this Agreement. For cause shall not include a Provider advocating a decision, policy, or practice solely for reason of such advocacy. In the event of a termination for cause, Provider is entitled to those rights of appeal as described in Health Plan's Appeal Process for Terminated Providers Policy.

4.6 Rights and Obligations upon Termination.

- (a) Continuation of Obligations. Upon termination, all rights and obligations of the parties under this Agreement shall immediately cease, except those rights and obligations that are identified as surviving the term of this Agreement. Termination of this Agreement shall not relieve either party of any obligation to the other party in accordance with the terms of this Agreement, and with respect to services furnished prior to such termination, and shall not relieve Provider of Provider's obligation to cooperate with Health Plan in arranging for the transfer of care of Members receiving treatment from Provider.
- (b) Continuation of Services. If required by a Health Benefit Plan, and unless Health Plan makes provision for the assumption of such services by another practitioner, following termination of this Agreement, Provider shall continue to furnish, and Health Plan shall continue to pay for, in accordance with the terms of this Agreement, Covered Services rendered to Members under the care of Provider at the time of termination until the services being rendered are completed. Health Plan shall use its best efforts to arrange for any Members under the care of Provider at the time of termination of the Agreement to be transferred to another Health Plan Provider at the earliest possible date. In the event of termination of this Agreement, Provider shall cooperate with and not interfere in the transfer of Members under the care of Provider at the time of termination until the services being rendered are completed.
- (c) Access to Records Upon Termination. Notwithstanding any termination of this Agreement, Provider shall continue to provide Health Plan access to Provider's records, so as to allow Health Plan to continue to meet its obligations under the CCO Contract.

5.0 OREGON HEALTH PLAN PROVISIONS

- 5.1 **Accountability.** Provider acknowledges that Health Plan oversees and is ultimately accountable to OHA for the timely and effective performance of Health Plan's duties and responsibilities under Health Plan's contract with the State of Oregon, acting by and through OHA.
- 5.2 **Continuation of Services.** In the event of insolvency or cessation of operations of Health Plan, Provider shall continue to provide Covered Services to Members for the period in which Health Plan continues to receive compensation for administering services under the Oregon Health Plan.
- 5.3 **Incorporation of Provisions.** To the extent that any provision of Health Plan's CCO Contract to implement and administer services under the Oregon Health Plan applies to Provider with respect to the services contemplated hereunder, such provision shall be incorporated by this reference into this Agreement and shall apply equally to Provider.

6.0 GENERAL PROVISIONS.

- 6.1 **Reimbursement; Value-Based Payments.** The parties recognize the CCO Contract requires transition to value-based payments. Provider agrees to make best efforts to establish and implement value-based payments Health Plan that fulfill the requirements of the CCO Contract, including performance measures determined by OHA. Further, the parties agree to make best efforts to expand value-based payments Health Plan annually to fulfill the requirements of the CCO Contract and value-based payment requirements.
- 6.2 **Non-Exclusivity.** This Agreement is not exclusive, and nothing herein shall preclude either party from contracting with any other person or entity. Health Plan makes no representation or guarantee as to the number of Members who may select Provider for the purpose of receiving Covered Services.
- 6.3 **No Third Party Beneficiaries.** Neither Members nor any other third parties are intended by the parties to this Agreement to be third party beneficiaries under this Agreement, and no action may be brought to enforce the terms of this Agreement against either party by any person who is not a party to this Agreement.
- 6.4 **Mutual Non-Disparagement.** Provider and CMHP agree that neither party will make any defamatory, slanderous, or intentionally inaccurate statements about the other for the purpose of interfering with the relationship between the Member and the Provider or the Member and the Health Plan. Nothing in this section is intended to interfere with Provider's ability to communicate with a Member about the Member's medical condition, proposed treatment, or treatment alternatives whether covered by Health Benefit Plan or not and is consistent with state or federal laws. In addition to any other remedy available at law or in equity, Provider's or Health

Plan's breach of this Section shall be grounds for termination, pursuant to Section 4.5 (Termination with Cause upon Notice) of this Agreement, from participation in Health Plan's panel of Health Plan Providers and from participation in providing Covered Services to Members in accordance with the terms and conditions of this Agreement.

- 6.5 Indemnification.** At all times during the term of this Agreement, Provider shall indemnify, defend, and hold Health Plan and Health Plan's employees and agents harmless from and against any and all claims, damages, causes of action, costs, or expenses, including reasonable attorneys' fees, to the extent proximately caused by the gross negligence or willful misconduct of Provider or any employee or agent of Provider's arising out of this Agreement. At all times during the term of this Agreement, Health Plan shall indemnify, defend, and hold Provider and Provider's employees and agents harmless from and against any and all claims, damages, causes of action, costs or expenses, including reasonable attorneys' fees, to the extent proximately caused by the gross negligence or willful misconduct of Health Plan or any Health Plan employee or agent arising from this Agreement. Notwithstanding the foregoing, this Section shall be null and void to the extent that it is interpreted to reduce insurance coverage to which either party is otherwise entitled, by way of any exclusion for contractually assumed liability or otherwise.
- 6.6 Dispute Resolution.** Notwithstanding any other provision in this Agreement, and unless otherwise required by federal law, the parties agree to resolve disputes related to the termination or non-renewal of this Agreement in the manner set forth in OAR 410-141-3560, as that regulation now exists or is amended.
- 6.7 Assignment.** Neither party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other; provided, however, that Health Plan may assign this Agreement, upon thirty (30) days prior written notice, to any entity that controls, is controlled by, or that is under common control with Health Plan now or in the future, or which succeeds to its business through a sale, merger, or other corporate transaction without the prior consent of Provider. Any purported assignment or transfer in violation of this Section 6.6 shall be null and void.
- 6.8 Amendments.** Health Plan may amend this Agreement by providing prior written notice to Provider, such notice shall include a statement of the reason for the proposed amendment and citation to any relevant state or federal law or regulation authorizing the change. Failure of Provider to object in writing to any such proposed amendment within sixty (60) days following receipt of notice shall constitute Provider's acceptance thereof. Any amendment to this Agreement or Exhibits necessary for compliance with state or federal law or regulation shall become effective upon notice from Health Plan to Provider if required by federal or state law. In the event Provider objects to such amendment necessary for

compliance with state or federal law, Health Plan may, at its sole option, either continue this Agreement unamended or terminate this Agreement sixty (60) days from the date of receipt of written objection from Provider. During said sixty (60) day period, the terms and conditions of this Agreement as existed on the day prior to the date of the written objection, including all terms and conditions of compensation, shall continue to be in effect. If amendment is to comply with state or federal law, termination of this Agreement under this provision shall be treated as a “voluntary termination” without right to hearing. Notwithstanding the foregoing, this Agreement may be amended at any time by mutual written agreement signed by both parties.

- 6.9 Headings.** The headings of the various sections of this Agreement are merely for convenience and do not, expressly or by implication, limit, define, or extend the terms of the sections to which they apply.
- 6.10 Notices.** Any notice required to be given pursuant to the terms of this Agreement shall be in writing and shall be either hand delivered, sent via facsimile, sent via overnight mail (such as Federal Express), or sent postage prepaid, by certified mail, return receipt requested, to Health Plan or Provider at the address set forth on the signature page of this Agreement. Such address may be changed by giving notice of such change in the manner provided in this Section for giving of such notice. The notice shall be effective on the date of delivery if delivered by hand or sent via facsimile, the date of delivery as indicated on the receipt if sent via overnight mail, or the earlier of the date indicated on the return receipt or four (4) business days after mailing if sent by certified mail.
- 6.11 Severability; Conformity with Law.** If any provision or Oregon Administrative Rule (OAR) defined in this Agreement is declared invalid or otherwise unenforceable, the enforceability of the remaining provisions shall be unimpaired, and the parties shall replace the invalid or unenforceable provision or OAR with a valid and enforceable provision or OAR that reflects the original intention of the parties as nearly as possible in accordance with applicable law. This Agreement shall be interpreted and, if necessary, amended to conform with applicable federal and state law in effect on or after its Effective Date.
- 6.12 Waiver of Breach.** The waiver of any breach of this Agreement by either party shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or any other provision of this Agreement.
- 6.13 Modification of Health Benefit Plan.** Health Plan may change, revise, modify, or alter the form or content of any Health Benefit Plan or Member written materials without prior approval or notice to Provider.
- 6.14 Conflict with Health Benefit Plan; Outside Contracts.** This Agreement does not modify the benefits, terms, or conditions contained in a Member’s Health Benefit Plan. In the event of a conflict between this Agreement and the terms of the Member’s Health Benefit Plan, the terms of the Member’s Health Benefit Plan shall

control. Health Plan does not and shall not prohibit a Member from contracting for services outside the Member's Health Benefit Plan; however, Health Plan does not consent to, or agree to be bound by, any terms or conditions that may be offered to, or entered into by, any Member contracting outside of their Health Benefit Plan

- 6.15 Conflict with Health Plan Provider Manual.** In the event the terms and conditions of this Agreement conflict with the terms and conditions of the Health Plan Provider Manual, the terms and conditions of this Agreement shall control.
- 6.16 Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of Oregon.
- 6.17 Entire Agreement.** This Agreement and any and all recitals, amendments, exhibits, attachments, schedules, and addenda in addition to the Health Plan's Policies and procedures contained in the Health Plan Provider Manual contain the entire agreement of the parties, and supersede any other agreement between the parties for Medicaid.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first set forth above.

PACIFICSOURCE COMMUNITY SOLUTIONS

By: _____
PETER MCGARRY

Title: VP PROVIDER NETWORK

Date: _____

Address: PO Box 7469
Bend, OR 97701

DESCHUTES COUNTY HEALTH SERVICES

By: _____
ANTHONY DeBONE, CHAIR

PHIL CHANG, VICE CHAIR

PATTY ADAIR, COMMISSIONER

Title: BOARD OF DESCHUTES COUNTY
COMMISSIONERS

Date: _____

Address: 2577 NE Courtney Drive
Bend, OR 97701

**JEFFERSON COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: WAYNE FORDING

Title: COMMISSIONER

Date: _____

**JEFFERSON COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: KELLY SIMMELINK

Title: COMMISSIONER

Date: _____

**JEFFERSON COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: MAE HUSTON

Title: COMMISSIONER

Date: _____

PACIFICSOURCE COMMUNITY SOLUTIONS

By: _____

Name: PETER MCGARRY

Title: VP PROVIDER NETWORK

Date: _____

**CROOK COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: SETH CRAWFORD

Title: COUNTY JUDGE

Date: _____

**CROOK COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: BRIAN BARNEY

Title: COUNTY COMMISSIONER

Date: _____

PACIFICSOURCE COMMUNITY SOLUTIONS

By: _____

Name: PETER MCGARRY

Title: VP PROVIDER NETWORK

Date: _____

**CROOK COUNTY HEALTH SERVICES
BOARD OF COUNTY COMMISSIONERS**

By: _____

Name: JERRY BRUMMER

Title: COUNTY COMMISSIONER

Date: _____

ATTACHMENT B
Central Oregon Community Mental Health Programs
04/01/2021
Credentialing

1. In the event that Health Plan is responsible for the credentialing of physicians and/or practitioners, the following information will be necessary to satisfy Health Plan credentialing or validation requirements:
 - 1.1 Completed application for each physician and/or practitioner to include:
 - (a) Physician or practitioner name
 - (b) Practice name
 - (c) Specialty
 - (d) Physical Address
 - (e) Billing Address
 - (f) Tax Identification Number
 - (g) DEA Number (if applicable)
 - (h) NPI Number
 - (i) Phone (Appointment/Billing)
 - (j) Fax Number
 - (k) Clinical privileges at primary admitting facility (if applicable)
 - (l) Current valid license (if applicable)
 - (m) Current valid DEA certificate (if applicable)
 - (n) Education/training, as applicable to the provider type
 - (o) Board Certification (if applicable)
 - (p) Current adequate professional liability coverage
 - (q) History of liability claims
 - (r) Work history
 - (s) Evidence of completion of background check (if applicable)
 - 1.2 Signed, dated PacificSource authorization for information release
 - 1.3 Signed, dated statements attesting to:
 - (a) Ability to perform the essential functions of the position, with or without accommodations
 - (b) Absence of present illegal drug use

- (c) Any history of loss of license and/or felony convictions
 - (d) Any history of loss or limitation of privileges
 - (e) The correctness/completeness of the application
- 1.4 Copies of the following must accompany the application, as applicable:
- (a) Current valid license (if applicable)
 - (b) Valid DEA Certificate (if applicable)
 - (c) Current professional liability face sheet
2. In the event Health Plan credentialing duties are delegated to Provider; those delegated credentialing requirements will be specified in a separate Delegated Credentialing Agreement between Health Plan and Provider.

ATTACHMENT C
Central Oregon Community Mental Health Programs
04/01/2021

Scope of Work and Special Provisions

The following are required duties of Provider as detailed in the CCO Contract and Oregon Administrative Rules:

- 1.0** Provider's employees and subcontractors are required to participate in training as outlined in the OHA CCO Contract. Provider may attest to training they have provided to their employees and/or subcontractors by submitting information to Health Plan and/or participate in training provided by Health Plan. Training shall include, but not be limited to the following fundamental areas:
 - 1.1. Cultural Responsiveness;
 - 1.2. Implicit Bias;
 - 1.3. Language access (including use of plain language and Health Care Language Interpreters);
 - 1.4. Use of CLAS Standards in the provision of services;
 - 1.5. Adverse Childhood Experiences/trauma informed practices that are culturally responsive;
 - 1.6. Uses of REAL+D data to advance Health Equity;
 - 1.7. Universal access and accessibility in addition to compliance with ADA;
 - 1.8. Foundations of Trauma Informed Care;
 - 1.9. Health care integration;
 - 1.10. Recovery principles; and
 - 1.11. Motivational Interviewing.
- 2.0** Provider shall assure that all employed Traditional Health Workers have met the requirements for background checks for Traditional Health Workers, as described in OAR 410-180-0326. Provider shall submit encounter data, workforce assessments, capturing non-encounterable services, and required reporting metrics for all services provided by Traditional Health Workers to Health Plan. In addition, Provider shall:
 - 2.1. Track and document Member interactions with THWs;
 - 2.2. Collaborate in the integration of THWs into the delivery of services;
 - 2.3. Assist in communications to Members about the benefits of THW services;
 - 2.4. Assist in the implementation of THW Commission best practices;
 - 2.5. Assist in measuring baseline utilization and performance;
 - 2.6. Coordinate with the OHA office of Equity and Inclusion to implement best practices;
 - 2.7. Submit claims and encounter data for THW services in the clinic setting, non-clinic setting, and community-based settings; and
 - 2.8. Collect data using the reporting template provided by OHA, including: Member satisfaction ratio of THWs to Members, number of THWs employed, requests by Members for THW services, number of engagements by THWs that are part of the Member's care

team, demographics of THWs and CCO membership, and other data for each of the THW provider types including doulas, community health workers, peer support specialists, peer wellness specialists, and patient health navigators.

- 3.0** Provider shall cooperate on OHA-required workforce reporting requirements, metrics, coordination of care and care transition requirements, and other OHA requirements.
- 4.0** Provider shall screen all pregnant women for behavioral health needs at least once during pregnancy, at least once during the post-partum period, and shall develop a follow-up and/or referral plan as indicated by screening results.
- 5.0** Provider shall screen Members for adequate in home family supports (e.g., housing adequacy, nutrition/food, diaper needs, transportation needs, safety needs and home visiting).
- 6.0** Provider shall screen for all Members and provide prevention, early detection, brief intervention and referral(s) to Substance Use Disorders treatment who are in any of the following circumstances:
 - 6.1. At an initial contact or during a routine physical exam;
 - 6.2. At an initial prenatal exam;
 - 6.3. When the Member shows evidence of Substance Use Disorders or abuse (as noted in the OHA approved screening tools); and/or
 - 6.4. When the Member over-utilizes Covered Services.
- 7.0** Primary care providers shall periodically conduct a socio-emotional screening for all children from birth to age five (5), and have a process to address concerns found by the screening.
- 8.0** Substance Use Disorder Providers shall provide available community resources information and referral to community services which may include without limitation child care, elder care, housing, transportation, employment, vocational training, educational services, mental health services, financial services, and legal services.
- 9.0** Behavioral Health Providers shall:
 - 9.1. Use a trauma informed framework to develop individual service and support plans for Members to assess for Adverse Childhood Experiences, trauma, and resiliency in a culturally responsive manner, and
 - 9.2. Report all data required by OHA using the OHA-specified data system(s).
 - 9.3. Engage in the integration of behavioral health and physical health services.
- 10.0** Provider shall report accurate practitioner information for Health Plan's provider directory, and Provider shall report their total Member capacity consistent with OHA requirements, and Health Plan's policy and procedures.
- 11.0** Provider shall comply with the electronic health record adoption requirements of OHA, and Provider shall provide access to health information exchange technology for Provider's practitioners. Provider will provide to PacificSource any information about electronic health record adoption and health information exchange access, consistent with OHA requirements and obligations of Health Plan.

ATTACHMENT D
Central Oregon Community Mental Health Programs
04/01/2021
Oregon Health Plan (Oregon Health Authority) Contract Language

In the event that any provision contained in this Attachment conflicts or creates an ambiguity with a provision in this Agreement, this Attachment's provisions will prevail. Capitalized terms not otherwise defined herein shall have the meaning set forth in the OHA Contract and/or the Cover All Kids Contract (defined below and collectively referred to herein as "the OHA Contracts"). The parties shall comply with all applicable federal, state and local laws, rules, regulations and restrictions, executive orders and ordinances, the OHA Contracts, OHA reporting tools/templates and all amendments thereto, the Oregon Health Authority's ("OHA") instructions applicable to this Agreement, and the conduct of their obligations under this Agreement, including without limitation, where applicable:

- 1.0** Provider must perform the services and meet the obligations and terms and condition as if the Provider is PacificSource Community Solutions ("Health Plan"). [Exhibit B, Part 4, Section 11(a)]
- 2.0** This Agreement is intended to specify the subcontracted work and reporting responsibilities, be in compliance with Health Plan's contracts with OHA to administer the Oregon Health Plan (the "CCO Contract"), and the Cover All Kids program (the "CAK Contract") and incorporate the applicable provisions of the OHA Contracts. Provider shall ensure that any subcontract that it enters into for a portion or all of the work that is part of this agreement shall comply with the requirements of this Exhibit. [Exhibit B, Part 4, Section 11(a)]
- 3.0** Health Plan is a covered entity and the Parties agree that they will enter into a Business Associate Agreement when required under, and in accordance with, the Health Insurance Portability and Accountability Act. [Exhibit B, Part 4, Section 11(a)]
- 4.0** Provider understands that Health Plan shall evaluate and document Provider's readiness and ability to perform the scope of the work set forth in this Agreement prior to the effective date, and shall cooperate with Health Plan on that evaluation. Provider further understands that OHA has the right to receive all such evaluations. [Exhibit B, Part 4, Section 11(a)]
- 5.0** Provider understands that Health Plan must ensure that Provider, and its employees, are screened for exclusion from participation in federal programs and that Health Plan is prohibited from contracting with an excluded Provider, and shall cooperate by providing Health Plan with information to confirm such screening. [Exhibit B, Part 4, Section 11(a)]
- 6.0** Provider understands that Health Plan must ensure that Provider, and its employees, undergo a criminal background check prior to starting any work or services under this Agreement, and shall cooperate by providing Health Plan with information to confirm such checks. [Exhibit B, Part 4, Section 11(a)]

- 7.0** Provider understands that Health Plan may not Delegate certain work under the OHA Contracts and that this Agreement does not terminate Health Plan's legal responsibility to OHA for the timely and effective performance of Health Plan's duties and responsibilities under the OHA Contracts. Provider further understands that a breach by Provider of a term or condition in the OHA Contracts, as it pertains to work performed under this Agreement, shall be considered a breach by Health Plan of the OHA Contracts. Further, Provider understands that Health Plan is solely responsible to OHA for any corrective action plans, sanctions, or the like, and that Health Plan is solely responsible for monitoring and oversight of any subcontracted work. [Exhibit B, Part 4, Section 11(a)]
- 8.0** Provider understands and agrees that Health Plan must provide OHA with a list of subcontractors and activities required to be performed under such subcontracts, including this Agreement, and shall include: (i) the legal name of Provider, (ii) the scope of work being subcontracted, (iii) copies of the ownership disclosure form, if applicable, (iv) information about any ownership stake between Health Plan and Provider, if any, and (v) an attestation from Health Plan regarding Paragraphs 3 through 5 above and that this Exhibit exists. [Exhibit B, Part 4, Section 11(a)]
- 9.0** Provider understands and agrees that the following obligations may not be Delegated to a third party: (i) oversight and monitoring of Quality Improvement activities, and (ii) adjudication of member appeals. [Exhibit B, Part 4, Section 11(a)]
- 10.0** Provider understands and agrees that Provider must respond and remedy any deficiencies identified in Provider's performance of the work or services to be performed under this Agreement, in the timeframe reasonably determined by Health Plan. [Exhibit B, Part 4, Section 11(a)]
- 11.0** Provider acknowledges and agrees that it may not bill Members for services that are not Covered Services under the OHA Contracts unless there is a full written disclosure or waiver on file, signed by the Member, in advance of the service being provided, in accordance with OAR 410-141-3565. [Exhibit B, Part 4, Section 11(a)]
- 12.0** Provider acknowledges receiving a copy of Health Plan's written procedures for its Grievance and Appeal System, and agrees to comply with the requirements therein. [Exhibit B, Part 4, Section 11(a); Exhibit I, Section 1(b)(1)]
- 13.0** Provider understands and agrees that Health Plan shall monitor and may audit Provider's performance on an ongoing basis, including performance, deficiencies, and areas for improvement.
- 14.0** Provider agrees that it shall be placed under a corrective action plan ("CAP") if Health Plan identifies any deficiencies or areas for improvement in the ongoing monitoring or annual report and that Health Plan is required to provide a copy of such CAP to OHA, as well as any updates to the CAP, notification that the CAP was successfully addressed, and

notification if Provider fails to complete a CAP by the designated deadline. [Exhibit B, Part 4, Section 11(a)]

- 15.0** Provider understands and agrees that Health Plan has the right to take remedial action, pass down or impose Sanctions, and that Health Plan intends this Agreement to reflect that Health Plan has the substantively the same rights as OHA has in the OHA Contracts, if Provider's performance is inadequate to meet the requirements of the OHA Contracts. [Exhibit B, Part 4, Section 11(b)]
- 16.0** Provider acknowledges and agrees that, notwithstanding any provision of this Agreement to the contrary, that Health Plan has the right to revoke delegation of any activities or obligations from the OHA Contracts that are included in this Agreement and to specify other remedies in instances where OHA or Health Plan determine Provider has breached the terms of this Agreement; provided, however, that Health Plan shall work with Provider to allow Provider reasonable time to cure any such breach. [Exhibit B, Part 4, Section 11(b)]
- 17.0** Provider acknowledges and agrees to comply with the payment, withholding, incentive, and other requirements set forth in 42 CFR §438.6 that is applicable to the work or services performed pursuant to this Agreement. [Exhibit B, Part 4, Section 11(b)]
- 18.0** Provider agrees to submit to Health Plan Valid Claims for services, including all the fields and information needed to allow the claim to be processed, within the timeframes for valid, accurate, Encounter Data submission as required by the OHA Contracts. [Exhibit B, Part 4, Section 11(b)]
- 19.0** Provider expressly agrees to comply with all Applicable Laws, including without limitation, all Medicaid laws, rules, regulations, and sub-regulatory guidance and contract provisions. [Exhibit B, Part 4, Section 11(b)]
- 20.0** Provider expressly agrees that OHA, the Oregon Secretary of State, the Center for Medicare & Medicaid Services, the U.S. Health & Human Services, the Office of the Inspector General, the Comptroller General of the United States, or their duly authorized representatives and designees, or all of them or any combination of them, have the right to audit, evaluate, and inspect any books, Records, contracts, computers, or other electronic systems of Provider, or of Provider's subcontractor, that pertain to any aspect of the services and activities performed, or determination of amounts payable under the OHA Contracts. Provider agrees that such right shall exist for a period of ten (10) years from the date this Agreement terminates or from the date of completion of any audit, whichever is later. Further, Provider agrees that if OHA, CMS, or the DHHS Inspector General determine that there is a reasonable possibility of Fraud or similar risk, then OHA, CMS or the DHHS Inspector General may inspect, evaluate, and audit Provider at any time. [Exhibit B, Part 4, Section 11(b)]
- 21.0** Provider agrees to make available, for purposes of audit, evaluation, or inspection of its premises, physical facilities, equipment, books, Records, contracts, computer, or other

electronic systems relating to its Members. [Exhibit B, Part 4, Section 11(b); Exhibit D, Section 15]

- 22.0** Provider agrees to respond and comply in a timely manner to any and all requests from OHA or its designee for information or documentation pertaining to Work outlined in the OHA Contracts. [Exhibit B, Part 4, Section 12(b)]
- 23.0** Provider agrees to adopt and comply with Health Plan's Fraud, Waste, and Abuse policies, procedures, reporting obligations, and annual Fraud, Waste, and Abuse Prevention Plan, as well as the obligations, terms and conditions provided in Exhibit B, Part 9 of the OHA Contracts. Further, Provider agrees, unless expressly provided otherwise in the applicable provision, to report immediately to Health Plan any provider and Member Fraud, Waste, or Abuse ("FWA"), which Health Plan will report to OHA or the applicable agency, division, or entity. [Exhibit B, Part 4, Section 11(b)]
- 23.1 In addition to the preceding paragraph, if Provider provides services to Members or processes and pays for claims, then Provider agrees to comply with Exhibit B, Part 9, Sections 11-18 of the CCO Contract, Sections 10-17 of the CAK Contract, related to FWA and compliance activities. [Exhibit B, Part 9, Section 10]
- 24.0** Provider agrees to meet the standards for timely access to care and services, as set forth in the OHA Contracts and OAR 410-141-3515, which includes providing services within a timeframe that takes into account the urgency of the need for services. If Provider is a provider, this requirements includes offering hours of operation that are not less than the hours of operation offered to commercial PacificSource members. [Exhibit B, Part 4, Section 11(b)]
- 25.0** Provider agrees to report promptly to Health Plan any Other Primary, third-party Insurance to which a Member may be entitled. [Exhibit B, Part 4, Section 11(b)]
- 26.0** Provider agrees to request, obtain, and provide, in a timely manner as noted in any Health Plan TPL Guidebook or upon Health Plan or OHA request, with all Third-Party Liability eligibility information and any other information requested by Health Plan or OHA, as applicable, in order to assist in the pursuit of financial recovery. Provider also agrees to enter into any data sharing agreements required by OHA or its PIL Unit. [Exhibit B, Part 4, Section 11(b); Part 8, Section 16(e)(1); Part 8, Section 17(o)(5)]
- 27.0** Provider agrees to document, maintain, and provide to Health Plan all Encounter Data records that document Provider's reimbursement to federally qualified health centers, Rural Health Centers and Indian Health Care Providers and to provide such documents and records to Health Plan upon request. [Exhibit B, Part 4, Section 11(c)]
- 28.0** Provider understands and agrees that if Health Plan is not paid or not eligible for payment by OHA for services provided, neither will Provider be paid or be eligible for payment. [Exhibit B, Part 4, Section 11(d)]

- 29.0** Provider understands and agrees that Health Plan will provide a copy of this Agreement to OHA upon OHA's request. [Exhibit B, Part 4, Section 11(e)]
- 30.0** In accordance with the OHA Contracts, Provider understands and agrees to comply with the following provisions:
- 30.1** Adhere to the policies and procedures set forth in Health Plan's Service Authorization Handbook. [Exhibit B, Part 2, Section 3(a)]
 - 30.2** Obtain Prior Authorization for Covered Services, as noted on Health Plan's website. [Exhibit B, Part 2, Section 3(b)(3)]
 - 30.3** For preventive Covered Services, report all such services provided to Members to Health Plan and such services are subject to Health Plan's Medical Case Management and Record Keeping responsibilities. [Exhibit B, Part 2, Section 6(a)(3)]
 - 30.4** Ensure that each Member is free to exercise their Member rights, and that the exercise of those rights does not adversely affect the way Health Plan, its staff, Vendor, Participating Providers, or OHA, treat the Member. [Exhibit B, Part 3, Section 2(o)]
 - 30.5** Adhere to Health Plan's policies for Provider Directories, including updating the information therein. [Exhibit B, Part 3, Section 6(i)]
 - 30.6** Meet the special needs of Members who require accommodations because of a disability or limited English proficiency. [Exhibit B, Part 4, Section 2(i)]
 - 30.7** Ensure that all Traditional Health Workers undergo and meet the requirements for, and pass the required background check, as described in OAR 410-180-0326. [Exhibit B, part 4, Section 5(a)(5)]
 - 30.8** Consistent with 42 CFR §438.106 and §438.230, not bill any Member for Covered Services in any amount greater than would be owed if Health Plan provided the services directly, and comply with Oregon House Bill 2398 (2017) by (i) waiting ninety (90) days after submitting the claim before assigning a claim to a collection agency or other similar entity for the purpose of recovering fees from the patient, (ii) querying OHA's database to confirm eligibility for medical assistance, and (iii) assigning any outstanding claims to a collection agency or other similar entity for the purpose of recovering fees from a patient only if, at the time of service, the patient was not eligible for medical assistance. [Exhibit B, Part 8, Section 4(f)]
 - 30.9** If Health Plan's OHA Contracts is terminated, make available to OHA or another health plan to which OHA has assigned the Member, copies of medical, Behavioral Health, Oral Health, and managed Long Term Services and Supports records, patient files, and any other information necessary for the efficient care management

of Members as determined by OHA, in such format(s) as directed by OHA and provided without expense to OHA or the Member. [Exhibit D, Section 10(c)(6)]

- 30.10** Section 1 (Governing Law, Consent to Jurisdiction, 2 (Compliance with Applicable Law), 3 (Independent Contractor), 4 (Representations and Warranties), 15 (Access to Records and Facilities), 16 (Information Privacy/Security/Access), 19 (Assignment of Contract, Successors in Interest), 20 (Subcontracts), 25 (Survival), 31 (Equal Access), 32 (Media Disclosure), and 33 (Mandatory Reporting of Abuse) of Exhibit D of the OHA Contracts, as if fully set forth herein, for the benefit of both OHA and Health Plan. [Exhibit D, Section 20]
- 30.11** Exhibit E of the OHA Contracts, as if fully set forth herein, for the benefit of both OHA and Health Plan. [Exhibit E]
- 30.12** Exhibit F of the OHA Contracts, as if fully set forth herein, for the benefit of both OHA and Health Plan. [Exhibit F]
- 30.13** If any part of the Grievance process is performed by Provider pursuant to this Agreement, meet the requirements of the OHA Contracts, (i) comply with OAR 410-141-3835 through 410-141-3915 and 42 CFR §438.400 through §438.424, (ii) cooperate with any investigation or resolution of a Grievance by either or both DHS's Client Services Unit and OHA's Ombudsperson as expeditiously as the Member's health condition requires, and (iii) provide the data necessary for Health Plan to fulfill its reporting obligations to OHA. [Exhibit I, Section 1(e)(10), Section 2(d), Section 10]
- 30.14** Respond promptly and truthfully to all inquiries made by OHA or by the Oregon Department of Consumer and Business Services ("DCBS") concerning any subcontracted work and transactions pursuant to or connected to the OHA Contracts, using the form of communication requested by OHA or DCBS. [Exhibit L, Section 2(a)]
- 30.15** Provide all required information to Health Plan necessary for Health Plan to submit an annual Behavioral Health report to OHA. [Exhibit M, Section 21]
- 30.16** Take any Health Plan required training or otherwise provide training within Provider's operations regarding recovery principles, motivational interviewing, integration, and Foundations of Trauma Informed Care (<https://traumainformedoregon.org/tic-intro-training-modules/>), and, if applicable, enroll in, and provide timely updates to, OHA's Centralized Behavioral Health Provider Directory. [Exhibit M, Section 22]
- 31.0** Provider agrees to comply with Section C Part 10 of Attachment I of the 2017-2022 Medicaid 1115 Waiver regarding timely Payment to Indian Health Care Providers. [OAR 410-141-3505]

32.0 Provider acknowledges that it can receive access to the current version of the OHA Contracts, with the exception of Exhibit C.

33.0 Miscellaneous.

33.1 *Provider Certification.* Provider hereby certifies that all claims submissions and/or information received from Provider are true, accurate, and complete, and that payment of the claims by Health Plan, or its subcontractor, for Health Plan Members will be from federal and state funds, and therefore any falsification, or concealment of material fact by Provider when submitting claims may be prosecuted under federal and state laws. Provider shall submit such claims in a timely fashion such that Health Plan may comply with any applicable Encounter Data submission timeframes, and shall include sufficient data and information for OHA to secure federal drug rebates for outpatient drugs provided to Health Plan's Members under this Agreement, if any. Provider hereby further certifies that it is not and will not be compensated for any work performed under this Agreement by any other source or entity.

33.2 *Indemnification.* Notwithstanding any indemnification provision in this Agreement, as it pertains to Health Plan Members, Provider shall defend, save, hold harmless and indemnify Health Plan, the State of Oregon, and their respective officers, employees, subcontractors, agents, insurers, and attorneys from and against all of the following (here "Indemnifiable Events"): all claims, suits, actions, losses, damages, liabilities, settlements, costs and expenses of any nature whatsoever (including reasonable attorneys' fees and expenses at trial, at mediation, on appeal and in connection with any petition for review) resulting from, arising out of, or relating to the activities of Provider or its officers, employees, subcontractors, agents, insurers, and attorneys (or any combination of them) under this Agreement. Indemnifiable Events include, without limitation (i) unauthorized disclosure of confidential records or Protected Information, including without limitation records and information protected by HIPAA or 42 CFR Part 2, (ii) any breach of this Exhibit or the Agreement, (iii) impermissible denial of Covered Services, (iv) failure to comply with any reporting obligations under this Agreement, and (v) failure to enforce any obligation of a subcontractor under this Agreement.

Provider shall have control of the defense and settlement of any claim this is subject to this Section 33.2; however, neither Provider nor any attorney engaged by Provider, shall defend the claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without first receiving the prior written approval of the Oregon Attorney General to act as legal counsel for the State of Oregon; nor shall Provider settle any claim on behalf of the State of Oregon without the prior written approval of the Attorney General. The State of Oregon may, at its election, assume its own defense and settlement in the event that the State of Oregon determines that Provider is prohibited from defending the State of Oregon, or is not

adequately defending its interests. The State of Oregon may, at its own election and expense, assume its own defense and settlement in the event the State of Oregon determines that an important governmental principle is at issue.

Provider shall ensure that the State of Oregon, Department of Human Services is not held liable for (i) any of Provider's debts or liabilities in the event of insolvency, regardless of whether such liabilities arise out of such parties' insolvency or bankruptcy; (ii) Covered Services authorized or required to be provided by Provider under this Agreement, regardless of whether such Covered Services were provided or performed by Provider, Provider's subcontractor, or Provider's Participating or Non-Participating Provider; or (iii) both (i) and (ii) of this sentence.

Notwithstanding the foregoing, no party shall be liable to any other party for lost profits, damages related to diminution in value, incidental, special, punitive, or consequential damages under this Agreement; provided, however, Provider shall be liable (i) for civil penalties assessed against Health Plan by OHA related to a breach of this Agreement by Provider; (ii) for Liquidated Damages assessed against Health Plan by OHA related to a breach of this Agreement by Provider; (iii) under the Oregon False Claims Act; (iv) for Indemnifiable Events as noted above, (v) claims arising out of or related to unauthorized disclosure of confidential records or information of Members (or both of them), including without limitation records or information protected by HIPAA or 42 CFR Part 2; (vi) any OHA expenses assessed to Health Plan for termination of the OHA Contracts that are related to a breach of this Agreement by Provider; or (vii) damages specifically authorized under another provision of this Agreement. [Exhibit D, Section 8 and 12]

- 33.3** *Force Majeure.* Neither OHA, Provider nor Health Plan shall be held responsible for delay or default caused by riots, acts of God, power outage, fire, civil unrest, labor unrest, natural causes, government fiat, terrorist acts, other acts of political sabotage or war, earthquake, tsunami, flood, or other similar natural disaster, which is beyond the reasonable control of the affected party. Each party shall, however, make all reasonable efforts to remove or eliminate such cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement. OHA or Health Plan may terminate this Agreement upon written notice to Provider after reasonably determining that the delay or default will likely prevent successful performance of this Agreement. If the rendering of services or benefits under this Agreement is delayed or made impractical due to any of the circumstances listed in the preceding paragraph, care may be deferred until after resolution of those circumstances, except in the following situations: (a) care is needed for Emergency Services; (b) care is needed for Urgent Care Services; or (c) care is needed where there is a potential for a serious adverse medical consequence if treatment or diagnosis is delayed more than thirty (30) days.

If any of the circumstances listed in the first paragraph of this section disrupts normal execution of Provider's duties under this Agreement, Provider shall notify

Members in writing of the situation and direct Members to bring serious health care needs to Provider's attention. [Exhibit D, Section 17]

- 10.4** *No Third Party Beneficiaries.* Health Plan and Provider are the only parties to this Agreement and the only parties entitled to enforce its terms; provided, however, that OHA and other government bodies have the rights specifically identified in this Agreement. The parties agree that Provider's performance under this Agreement is solely for the benefit of Health Plan to fulfill its OHA Contracts obligations and assist OHA in accomplishing its statutory mission. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement. This provision shall survive the termination of this Agreement for any reason.
- 10.5** *Severability.* If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- 10.6** *Termination; Revocation of Delegated Activities.* Notwithstanding any other provision in this Agreement, Health Plan may terminate this Agreement or impose Sanctions, as provided in the OHA Contracts, if Provider's performance is inadequate to meet the requirements of the OHA Contracts.
- 10.7** *Subcontractor/FDR Manual.* Vendor shall comply with the due dates and requirements in Health Plan's Subcontractor/FDR Manual (the "Manual"), as amended, once that Manual is finalized and posted. Provider is responsible for reviewing the Manual periodically in order to know the current requirements.
- 11.0** Differences Between the CCO Contract and the CAK Contract. There are a few language differences between the CCO Contract and the CAK Contract. To the extent that Provider only works with one population or the other, that contract will apply; however, to the extent that Provider works with both populations, both contracts will apply, as applicable, to the situation depending on what work and what population is involved. Provider may request a comparison document of the two contracts from Health Plan, which was prepared by OHA.

ATTACHMENT E
Central Oregon Community Mental Health Programs
04/01/2021
Behavioral Health and Community Mental Health Programs

1.0 Certificate of Approval

Provider is contracted to perform work that may encompass services covered under one or more Certificates of Approval (COA) issued by the Oregon Health Authority. Provider certifies that Provider has active COAs as indicated by “X” in the left column of the table below. Provider will supply copies of COAs to Health Plan prior to execution of this Agreement and upon request. Provider will notify Health Plan immediately upon any change to the information listed below.

Active	Type of Certificate of Approval
	Community Mental Health Program
	Residential Substance Use Disorder & Problem Gambling Treatment
	Outpatient Behavioral Health Services
	Intensive Treatment Services for Children and Adolescents
	Outpatient Opioid Treatment Programs
	N/A - Provider does not hold and is not required to hold any Certificates of Approval.

2.0 Community Mental Health Program Responsibilities

If Provider is a Community Mental Health Program designated by its Local Mental Health Authority (LMHA), then Provider is contracted to perform the following services required of an LMHA by OHA and per Health Plan’s CCO contract with OHA:

- a. Management of children and adults at risk of entering or who are transitioning from the Oregon State Hospital or from residential care;
- b. Care coordination of residential services and supports for adults and children;
- c. Management of the mental health crisis system including mobile crisis 24 hours a day, every day;
- d. Community-based specialized services:
 - i. Supported Employment and Education
 - ii. Early Psychosis including Early Assessment and Support Alliance
 - iii. Assertive Community Treatment (ACT)
 - iv. Evidence-based intensive services for adult Members who refuse ACT services

- v. Intensive case management and home-based services for children
- e. Management of specialized services to reduce recidivism of individuals with mental illness in the criminal justice system.
- f. LMHA-designated Community Mental Health Programs shall track all grievances communicated to Provider by a Member or Member representative and report to Health Plan.
- g. LMHA-designated Community Mental Health Programs shall provide care coordination services to Members to assist their receipt of Covered Services or long term care services outside of those available from Provider. Services provided may include establishing pre-commitment service linkages, advocating for treatment needs, and providing assistance in obtaining entitlements based on mental or emotional disability. Provider shall arrange and coordinate with all provider types and social service agencies, regardless of inclusion with the status as Covered Services, on an ongoing basis. Such coordination shall include without limitation all Agency for People with Disabilities facilities in the Service Area, justice system, Department of Human Services, acute care facilities, outpatient behavioral health clinics, primary care clinics, physical health specialty clinics, substance abuse facilities, and any Health Plan Provider.
- h. LMHA-designated Community Mental Health Programs shall facilitate ongoing communication and collaboration, including facilitating communication between the family, natural supports, community resources, and involved providers and agencies; organizing, facilitating and participating in team meetings; and providing for continuity of care by creating linkages to and managing transitions between levels of care and transitions for young adults in transition to adult services.

3.0 Specific Responsibilities

- a. Delegated CCO Duties, subject to satisfactory completion of prior Health Plan audit of activity, or if not, completion of pre-delegation audit:
 - i. Credentialing of Clinical Professionals
 - ii. Intensive Care Coordination
- b. Evidence-based dyadic treatment for children
- c. Outpatient Mental Health for Children and Adults, including (a) psychiatric consultation by physicians or nurse practitioners to community based providers, and (b) psychiatric care provided to clients under an access process not universally contingent on enrollment in psychotherapy services.
- d. Wraparound Services for Children and Youth
- e. Intensive Outpatient Services and Supports for Children and Youth
- f. Peer delivered services
- g. CANS assessments
- h. Outpatient Substance Use Disorder Services

- i. Outpatient Substance Use Disorder Services (ASAM Level 1)
- ii. Intensive Outpatient Substance Use Disorder Services (ASAM Level 2.1)
- iii. Including services targeting the needs of the following special populations (for example: Adolescents; Women and women's specific issues; Ethnically and racially diverse group and environments that are culturally responsive and linguistically relevant; Intravenous drug users; Individuals involved with the criminal justice system; Individuals with co-occurring disorders; and Parents accessing residential treatment with any accompanying dependent children).

4.0 Performance Responsibilities

- a. Provider shall meet the following conditions in accord with the CCO Contract, meaning the Sample Oregon Health Plan Health Plan Services Coordinated Care Organization Contract and any subsequent revisions or replacement contracts, which can be accessed on the OHA website or from Health Plan upon request:
 - i. Assertive Community Treatment (ACT) services shall be provided in accord with CCO Contract Exhibit M, Section 8 and any subsequent amendments.
 - ii. Provider shall report ACT program data as detailed in the CCO Contract Exhibit M, Section 8 in a form and on a schedule to be specified by Health Plan.
 - iii. Crisis Services, including respite and mobile crisis team, shall be provided 24 hours a day every day and shall be provided in accord with CCO Contract Exhibit M, Section 10.
 - iv. Children's Wraparound Services shall be implemented in accord with CCO Contract, Exhibit M, Section 19, including the documents referenced in the section, and the relevant Health Plan policy in effect.
 - v. Children's Wraparound Services shall be assessed using the OHA-designated evaluation tools, including WFI-EZ and TOM 2.0, and shall report results using the designated Oregon State data collection system.
 - vi. Child and Adolescent Needs and Strengths screening shall be conducted with all Members under care with Provider in the situations specified in the CCO Contract, Exhibit M, Section 19 and shall be recorded in the designated Oregon State data collection system.
- b. Intensive Care Coordination shall be provided as detailed in CCO Contract Exhibit M, Section 11 and subject to satisfactory completion of pre-delegation audit by Health Plan as a condition of payment for these services.
- c. Provider shall provide services to established Members who are admitted to Acute Inpatient Psychiatric Facilities including a follow-up visit within seven (7) days of discharge consistent with Exhibit M, Section 17 of the CCO Contract.
- d. Provider shall use health information technology to identify Members with more than two (2) emergency department visits in six (6) months and provide follow-up within three (3) days after the triggering visit.

5.0 Special Provisions

- a. All services and supports shall be rendered in the most integrated community-based settings possible, consistent with the Member's choice, so as to minimize the use of institutional care. All services and supports shall be in accordance with all applicable state and federal requirements.
- b. Provider shall ensure health equity (including interpretation and cultural competence) and elimination of avoidable gaps in health care quality and outcomes, as measured by gender identity, race, ethnicity, language, disability, sexual orientation, age, mental health and addictions status, geography, and other cultural and socioeconomic factors, consistent with OAR 410-141-3710.

Exhibit F
Administrative Responsibilities
Community Mental Health Programs of Central Oregon
Effective 04/01/2021

CMHPs shall provide the following administrative services, which are delegated by Health Plan, and for which CMHPs shall develop policies and procedures related to these delegated responsibilities and provide such copies to Health Plan.

1. Encounter Data

CMHPs shall electronically submit accurate and complete encounter data for services provided to Members. CMHPs shall submit encounter data on a regular basis and shall, in all cases, submit encounter data no later than one hundred twenty (120) days after the date of service provided to Member and will have one hundred twenty (120) days following the date of the encounter submission to make any necessary changes.

2. Critical Incidents

CMHPs shall follow Health Plan's relevant written policies and procedures related to critical incidents and shall use Health Plan's reporting template for critical incidents that require Health Plan notification within two (2) business days. CMHPs shall submit a Critical Incident Log Sheet to Health Plan on a quarterly basis.

3. Measures and Outcomes Tracking System Reporting (MOTS)

CMHPs shall ensure that all its providers of Behavioral Health services, including those for DUII and methadone programs, enroll their Members in the Measures and Outcomes Tracking System, formerly known as CPMS, as specified at <http://www.oregon.gov/oha/amh/mots/Pages/index.aspx>.

4. Third Party Recovery

Medicaid is the payor of last resort to be accessed after any other coverage in effect, including Medicare, has been billed for Covered Services. CMHPs shall bill and collect from liable third party resources prior to using capitated Medicaid funds to cover the cost of services. CMHPs shall maintain records in such a manner as to ensure that all moneys collected from third party resources on behalf of Members are identified and reported to Health Plan.

5. Staff Credentials

CMHPs shall provide to Health Plan the necessary information for its employees and independent contracted staff to be credentialed with Health Plan, consistent with Health Plan policies and requirements. The Health Plan Credentialing Department will put a priority on the processing of credentialing applications received from the CMHPs. In the event the

credentialing process is delayed through no fault of the CMHPs, and results in substantial uncompensated services, the CMHPs and the Health Plan will determine the appropriate restitution.

6. Provider Roster

CMHPs shall document and submit a Provider Roster ("Roster") to Health Plan monthly to the following email address: credentialing@pacificsource.com. The Roster will identify all staff and independent contractors who provide outpatient services to Members under this Agreement. Roster shall document the academic degree, license, certification, and/or qualifications of each employee and subcontractor providing services under this Agreement. If the employee or subcontractor is not required to be licensed or certified, Roster will indicate a designation as CADC, QMHA, QMHP, Mental Health Intern, Interns or PSS. Roster shall also reflect, where applicable, the academic specialty or other applicable evidence of specialized qualifications of such individuals. The roster will be updated every thirty (30) days.

7. Behavioral Health MLR Reporting

Health Plan and CMHPs agree to report monthly and annually on the financial performance of the Behavioral Health services covered under this Agreement using the Exhibit L Financial Supplemental SE spreadsheet that can be accessed at the following link: <https://www.oregon.gov/oha/HSD/OHP/Pages/CCO-Contract-Forms.aspx>. Tabs L-6 and L8 of the spreadsheet are to be completed and uploaded annually to the PacificSource ShareFiles site in the MLR Expense folder by March 30th, 2021.

The Health Plan agrees to provide claims data file for fee-for-service and sub-capitated claims services to CMHPs. Data files will be provided by Health Plan through secure methods within thirty-one (31) days after the calendar month ends. Health Plan shall provide a financial reconciliation report for the calendar year ending December 31st within a reasonable time after year-end.

- i. Health Plan and CMHPs agree that the year-end financial reconciliation report is necessary for CMHPs to verify the amount and accuracy of the use of the holdback. The year-end financial reconciliation report shall contain the following data elements: a unique member identifier number internally generated by Health Plan; Age Range 17 and under and 18 and over; Date of Service; Date of Payment; Primary Diagnoses; Service ID Code; Service ID Description; Billed Amount; Paid Amount; Units; and Provider Name. Health Plan and CMHPs agree that the data elements listed above constitute the minimum necessary required to enable CMHPs to verify the holdback and that none of the data to be provided is subject to the limitations of 45 CFR Part 2. Health Plan and CMHPs further agree that the identity of any Member cannot be determined with reasonable accuracy either directly or by reference to other information.
- ii. CMHPs agree to provide quarterly and annual reports as applicable on (a) OHP encounters/billing, (b) OHP non-encounterable services, (c) system supports, (d) OHP funding utilization percentage, and (e) non-OHP funds, "non-billable" services, & system

supports Quarterly reports shall be submitted within sixty (60) days of the end of the quarter. Annual report for the time period ending December 31st shall be submitted within ninety (90) days of the end of the calendar year. Data shall be reported both in aggregate by CMHPs and also reported broken out by the following service elements:

1. Crisis Services
2. Services to Adults
3. Services to Children and Youth (without Wraparound)
4. Wraparound Services
5. SUD Only Treatment Services
6. Other

8. Exclusion Checks

CMHPs will perform criminal background checks for employees at the time of hire. CMHPs will perform a review of the Office of Inspector (OIG) and the General Services Administration (GSA) exclusion lists for employees at the time of hire and monthly thereafter. If an individual is found to be on the referenced lists, the CMHPs will immediately remove the individual from any work related directly or indirectly to all Federal health care programs, in accordance with 42 CFR 438.602, 42 CFR 410.610 and 42 CFR 455.436.

- 8.1. Reporting.** CMHPs shall provide results of the monthly checks to Health Plan on a quarterly basis and as requested. The results summary shall provide the number of individuals checked and the number of individuals that were found and not found on the lists. Reporting is due no later than twenty (20) business days following the end of the prior month.

9. Integrity Audit Reporting

CMHPs will report quarterly data integrity audit percentages to Health Plan using an audit tool approved by the PacificSource Quality Department.

EXHIBIT G – OHP COMPENSATION

1.0 RISK MODEL

The 2021 Risk model agreed upon by Health Plan and Central Oregon Community Mental Health Programs (CMHPs) shall contain the following:

- (A) A construct involving two (2) main Coordinated Care Organization (CCO) territories (Central Oregon CCO and Columbia Gorge CCO) and settlements within each CCO for OHP Members, as well as the potential for settlement impacts for CMHPs should CMHPs provide services to OHP Members from the Lane, Marion/Polk or Portland area CCOs. In the Central Oregon CCO, the single community budget settlement shall be for those OHP Members who are assigned to primary care providers of SCMG and COIPA. In the Central Oregon CCO, there are some OHP Members who are assigned to primary care providers other than SCMG and COIPA, for whom there is no settlement as of the Effective Date of this amendment.
- (B) A Hospital Capitation Payment to St. Charles Health System (SCHS) for certain hospital services in the Central Oregon CCO as a component of the single community budget settlement, and for which there is a Hospital Capitation Withhold (HCW) which shall be settled for SCMG, COIPA, SCHS and the Community Mental Health Programs (CMHPs) in Central Oregon and distributed independently of any single community Health Care Budget (HCB) settlement determining a surplus or deficit.
- (C) The non-applicability of payment to hospital based providers affiliated with Provider, and for whom payment shall be based on a separate facility agreement with SCHS.
- (D) Capitated payment for primary care providers of SCMG and COIPA, for certain primary care services provided to SCMG and COIPA assigned OHP Members from any CCO, for which there will be no withhold and no independent settlement.
- (E) Fee-for-service payment for all other professional services provided by SCMG and COIPA for any CCO members not designated as capitated primary care services per (D) above.
- (F) Capitated and fee-for-service payment to physical to the CMHPs for services provided as detailed in Exhibit 3. Fee-for-service payments shall have a Claims Risk Withhold.
- (G) Patient-Centered Primary Care Home (PCPCH) and Behavioral Health Integration (BHI) per member per month payments for which Provider can qualify.

- (H) Payment allocations for (B), (C), (D), (E), (F) and (G) above, and a single community settlement for all overall health care expenses, as compared to a single community HCB to determine Claims Risk Withhold and Surplus returns for SCMG, COIPA, other providers, hospital providers, Community Mental Health Programs (CMHPs) and Health Plan.
- (I) A single-community risk model which features Revenue and Expenses for physical health, behavioral health/Chemical Dependency (CD), Alcohol/Drug – Residential, and Behavioral Health – Residential services under OHP, paid by the state of Oregon to Health Plan as a global capitation payment, and not otherwise designated as revenue contingent on innovation grants, and the exclusion of Revenue and Expenses in the following OHP categories:

- “Dental Care” premium allocation and expenses.
- “Non-Emergent Medical Transportation” premium allocation and expenses.
- Payments to Central Oregon Health Council (COHC), taxes, adjustments and premium transfers.

If there are significant fluctuations (+/-10%) in the revenue allocations/adjustments for Dental, NEMT, or taxes/adjustments/premium transfers, Health Plan will discuss such fluctuations with Providers as soon as possible to gain a mutual understanding of the fluctuation, and whether it was due to membership fluctuation by benefit category, or some other cause.

- (J) Contract terms that are consistent with the Joint Management Agreement (JMA) and JMA budget signed between Health Plan and the COHC which specifies the rules, duties, obligation, limitations on Health Plan margin, “Health Services” allocations, and other obligations and expenses for Health Plan as a CCO for Central Oregon.
- (K) Utilization and Process Metrics which specify the return of any HCW, and metrics which specify the return of part of the Surplus and Claims Risk Withhold which may result from health care costs measured against a single community HCB.

2.0 CAPITATION

- 2.1 **Hospital Capitation Rate (HCR) paid to SCHS:** The HCR shall be **\$105.50 per member, per month (PMPM)**, which has been calculated for the membership in the month of November 2020, and will fluctuate with membership fluctuations in each Rate Category, consistent with the revenue components listed in Section 1,H above. The HCR and the resulting Hospital Capitation Payment to SCHS may vary as Estimated Earned Net Premium Revenue payments from the state of Oregon to Health Plan increase or decrease, and is a weighted average of the following Central Oregon CCO membership in various benefit categories (which will change each month with membership) and PMPM Capitation Rates specific to each Rate Category as indicated below:

Rate Category	PMPM Capitation Rate	Nov. 2020 Membership
Aid to Blind/Disabled & OAA with Medicare	\$19.75	3,474
Aid to Blind/Disabled & OAA w/o Medicare	\$382.70	2,132
CAF Children	\$27.14	820
ACA Ages 19-44	\$92.59	15,411
ACA Ages 45-54	\$182.82	4,089
ACA Ages 55-64	\$205.24	4,183
PLM, TANF and CHIP Children age < 1	\$417.99	1,217
PLM, TANF and CHIP Children age 1-5	\$25.87	6,333
PLM, TANF and CHIP Children age 6-18	\$26.60	14,990
PLM Adults (includes pregnancy)	\$642.73	420
TANF (Adults only)	\$167.40	5,042
BCCP	\$425.34	18

Weighted Average	\$105.50
Total Average Membership, Central Oregon CCO	58,128

- 2.2 Hospital Capitation Withhold (HCW):** The Hospital Capitation Payment will have a twelve percent (12%) Hospital Capitation Withhold.
- 2.3 Hospital Capitation Services:** The following hospital services provided to Central Oregon CCO OHP members will be reimbursed via the Hospital Capitation Payment paid to SCHS for services provided at St. Charles Medical Center – Bend, St. Charles Medical Center – Redmond, St. Charles Medical Center – Prineville, and St. Charles Medical Center – Madras:
- Hospital Inpatient Services, including swing beds and rehabilitation.
 - Hospital Outpatient Services, including therapies.
 - Home Health/Hospice Services billed by St. Charles Medical Center or its owned entities.

In the event of a significant shift in central Oregon community patterns-of-care that increase or decrease by more than five percent (5%) inpatient care, outpatient surgery, outpatient care, or the proportion of hospital care provided by out-of-area providers for any twelve-month period compared to a prior twelve-month period, the HCR may, upon mutual agreement by SCMG, SCHS, COIPA, CMHPs and Health Plan, be adjusted by Health Plan to account for such shifts in community patterns-of-care.

Both parties acknowledge the Hospital Capitation Payment is not intended to include reimbursement for behavioral health services funded via behavioral health/CD Residential or other OHP revenue. In the event of a duplicate payment to SCHS for such services paid under the Hospital Capitation Payment, Health Plan will present such information to CMHPs and SCHS and adjust for such duplicate payment.

Both parties acknowledge the need for, and agree to participate in a series of meetings in 2021 to review specific service utilization within hospital capitation, with enough time to conclude information review that informs SCMG, COIPA, SCHS, CMHP and Health Plan board or other organizational decision-making on the continuation of hospital capitation in 2022.

2.4 Other Hospital Services: The following hospital services provided to Central Oregon CCO OHP members will be reimbursed via methods other than the Hospital Capitation Payment:

- Professional Services billed by SCHS professional and hospital-based providers and billed on a CMS 1500 form or UB-04 or other form, which, unless covered under a separate agreement, will be reimbursed at current OHP rates and eight percent (8%) claims risk withhold.
- Services provided by and billed under St. Charles Medical Group and St. Charles Family Care.
- Services provided by and billed under Sageview Behavioral Health.
- Inpatient and outpatient Behavioral Health/CD, Alcohol/Drug – Residential, or Behavioral Health – Residential services funded via OHP’s Behavioral Health/CD, Alcohol/Drug - Residential or Behavioral Health – Residential revenue.
- Inpatient and outpatient Dental Services funded as the Oregon Health Plan and OHA’s Dental revenue via dental care providers and Dental Care Organizations (DCOs).

- 2.5 Primary Care Capitation Rate.** For services provided by SCMG and COIPA who is providing certain primary care services for SCMG and COIPA assigned OHP Members, reimbursement will be made on or around the 15th of every month, and shall be:

Primary Care Capitation Rate \$25.46 per member per month

This Primary Care Capitation rate will be **\$25.46** per member per month for SCMG and COIPA Federally Qualified Health Centers or Rural Health Centers, upon identification as such by Health Plan and SCMG and COIPA .

This Primary Care Capitation Rate will be applied to the following PCP Adjustment Factors attributed to the individual rate categories, which are:

Rate Category	PCP Adjustment Factor
Aid to Blind/Disabled & OAA with Medicare	0.3475
Aid to Blind/Disabled & OAA without Medicare	2.2243
CAF Children	1.0280
ACA Ages 19-44	0.9551
ACA Ages 45-54	1.4266
ACA Ages 55-64	1.4900
PLM, TANF and CHIP Children age < 1	1.5641
PLM, TANF and CHIP Children age 1-5	0.9435
PLM, TANF and CHIP Children age 6-18	0.6882
Poverty Level Medical Adults (includes pregnancy)	0.9551
TANF (Adults only)	0.9551
BCCP	0.9551

Providers shall submit a claim to Health Plan for every service provided, including capitated primary care services.

2.6 Covered Services Paid By Primary Care Capitation Rate

This Primary Care Capitation Rate, multiplied by the PCP Adjustment Factors, will be considered payment in full for the following CPT code services which are provided by primary care providers for their assigned OHP Members:

Services	CPT Codes
Office Visits	99201-99205, 99211-99215, 99241-99245
Home Services	99341-99345, 99347-99350
Other Office Services	92551, 92552, 93000, 93005, 93010, 93790, 95115-95134, 99000-99002, 99050, 99051, 99053, 99056, 99058, 99070, 99080, 99366-99368, 99429, 99441-99443

Minor Surgical Services	10060, 10061, 10080, 10120, 10140, 10160, 11720, 11721, 11740, 16000, 16020, 17110, 17111, 20550, 20600, 20605, 20610, 30300, 36415, 45300, 45303, 46600, 46604, 51701, 54050, 54055, 54056, 56501, 65205, 65220, 69200, 69210
-------------------------	--

3.0 COMPENSATION – ALL OTHER PROFESSIONAL SERVICES

For non-capitated primary care services and all specialty/ancillary services provided to OHP Members irrespective of primary care provider assignment, SCMG and COIPA shall be compensated based on Resource Based Relative Value Scale (“RBRVS”) conversion factors or a percentage of the current OHP fee schedule. Most services will be less an established Claims Risk Withhold. On an annual basis, this Claims Risk Withhold will be returned in whole, in part, or not returned, based upon (a) the comparison of paid and incurred claims expenses and other costs, to an established single community HCB in Sections 7.5 and 7.6 of this Exhibit B as well as the performance of quality metrics in Section 7.6, or (b) per the contract of the OHP Member’s primary care provider, if other than SCMG or COIPA .

3.1 CCO Fee For Service

SERVICE/PROCEDURE	MAXIMUM ALLOWABLE	Risk Withhold
Services listed in the CMS Physicians Fee Schedule: OHA GPCI Adjusted RVUs for services listed in the July 2019 Medicare Physician Fee Schedule	\$39.58 conversion factor ^{1, 2, 3}	8%
Labor and Delivery: CPT Codes 59400-59622	\$60.22 conversion factor ^{1, 2, 3}	8%
Laboratory: Services classified by CMS using OHP Medical-Dental Fee Schedule	100% of OHP Allowable ^{1, 3}	8%
Anesthesia: Services classified in the American Society of Anesthesiologists Relative Value Guide	\$36.54 per unit ASA Conversion Factor ⁴	8%
Durable Medical Equipment, Prosthetics, Orthotics and Supplies: Services listed in the OHP Medical-Dental Fee Schedule	100% of OHP Allowable ^{1, 3}	8%

Injectables, Vaccines, Immunizations: Services listed in the OHP Medical-Dental Fee Schedule	108% of OHP Allowable ^{1, 3}	8%
Services and procedures without an OHP Allowable	30% of Billed Charges	8%

Note: Payment will be based upon the lesser of the billed amount or Health Plan negotiated rates in effect at the time the service or supplies are rendered or provided as specified above.

1. Updates to the schedules noted above shall be updated in accordance to OHP.

2. Facility and non-facility RVUs shall be used and determined by the setting in which the service occurs.

3. Health Plan will reimburse based on the rates published as of the date of adjudication

4. ASA Basic Unit Value and annual updates as defined by the American Society of Anesthesiologists Relative Value Guide. Time units shall be based on fifteen (15) minute increments.

3.2 Patient Centered Primary Care Home (PCPCH) Program and Behavioral Health Integration

SCMG and COIPA primary care provider groups are eligible for the following PCPCH and BHI payment amounts based on meeting the specified criteria and levels for each program which shall be an expense toward the single community HCB.

Eligibility for payments will be at sole discretion of Health Plan as determined by OHA criteria and on-site and/or other evaluations and shall be determined for each physical clinic site, as defined in Oregon's PCPCH program. Providers are eligible for the Base Rate or the Program Participation Rate, but not both.

PCPCH Payments	Base Rate without Program Participation	Program Participation Rate includes Base Rate
Tier 1 PCPCH	\$0.50 PMPM	NA
Tier 2 PCPCH	\$1.01 PMPM	NA
Tier 3 PCPCH	\$2.01 PMPM	\$ 6.00 PMPM
Tier 4 PCPCH	\$3.02 PMPM	\$ 9.00 PMPM
Tier 5 PCPCH	\$4.02 PMPM	\$12.00 PMPM

Behavioral Health Integration Payments	
Level 1 BHI	NA
Level 2 BHI	\$3.00 PMPM

3.2.1 PCPCH Payment Criteria. Base Rate payments are earned based on active PCPCH Tier level as reported by the Oregon Health Authority. Providers must submit an attestation citing clinic location to initiate payments.

Program Participation payment levels are based on a clinic site's PCPCH Tier status, as awarded by the OHA, and approval from Health Plan based on providing high value elements including the following as detailed in the PCPCH Program Description and PCPCH Program Attestation Form:

- a) Minimum staffing standards
- b) Scheduled, paid team time for panel management such as huddles, registry review, and quality improvement meetings – minimum 4 hours per month.
- c) Documentation of chronic disease management processes and workflows addressing, including at a minimum, asthma, diabetes, hypertension, congestive heart failure or coronary artery disease, SBIRT and any other condition identified by OHA.
- d) Same-day or unscheduled acute care services available within the same zip code as the clinic that are available for SCMG and COIPA patients during the hours of 5pm-7pm every non-holiday weeknight and 9am-2pm on at least one weekend day.
- e) Performance Measures reporting and targets. For initial calendar year of participation, reporting alone shall be adequate. For future years, improvement in the measures will be a requirement of continued participation with specific targets to be determined:
 - CAHPS survey, all results from an all-payer or OHP-only sample of at least 100 patients annually
 - Quarterly reporting on Health Information Exchange functions currently in use by clinic site and referral status (closed, incomplete, open, cancelled) of e-referrals using regional Health Information Exchange

Tier status and update to payment may be requested by SCMG and COIPA no more than twice per calendar year and will be made by Health Plan upon receipt of complete attestation and measures reporting. Payment per-member per-month to be made at least quarterly. Calculation of payment will be based on OHP Members assigned to primary care providers of SCMG and COIPA working at the clinic site, which shall be solely determined by Health Plan.

Eligibility may be retracted by Health Plan and payment discontinued if its evaluation determined that previously approved clinic site has not maintained program requirements.

- 3.2.2 Integrated Behavioral Health – Primary Care. Providers may qualify for the additional amounts for Behavioral Health Integration for services provided in compliance with the minimum standards as defined by the Integrated Behavioral Health Alliance (IBHA) or as amended from time to time. Detailed description and requirements are provided in the Health Plan *Integrated Behavioral Health Program Description* and the *IBHA Assessment Tool for Integrated Behavioral Health Services*. Requirements for continued eligibility for payment include but are not limited to:

BHI Level 1: Access to -AG modifier for enhanced FFS payments

Providers may bill for services provided by behavioral health professionals working in an integrated setting. Claims must be submitted with the modifier -AG to designate and allow tracking of integrated services.

BHI Level 2: Access to -AG modifier for enhanced FFS payments + PMPM

At a minimum, the clinic must meet all BHI Level 1 requirements plus all the following:

1. Certified as PCPCH Tier 3, 4, or 5 by the Oregon Health Authority;
2. Meet IBHA Standard 2.7 as defined in the *Assessment Tool for Integrated Behavioral Health Services*;
3. Meets a minimum staffing ratio of 1.0 FTE Behavioral Health Clinician per 6 FTE PCPs per clinic site (IBHA Standard 1) or 1.0 FTE Behavioral Health Clinician per 9,000 active clinic patients;
4. Demonstrates maintaining a minimum population reach percentage, as defined in the specifications in the *Integrated Behavioral Health Program Description*. The clinic must submit year-to-date data quarterly to Health Plan. During first year of eligibility, the clinic must meet a minimum of 5% population reach and 10% thereafter;
5. Adherence to all Level 2 program requirements as outlined in the *Integrated Behavioral Health Program Description*;
6. Participation in annual verification site visits; and
7. Participation by BHC(s) and other appropriate primary care providers and clinic staff in regional technical assistance activities offered by Health Plan such as community of practice meetings, group learning opportunities, onsite technical assistance, and other collaborative events.

Billing for behavioral health clinician services are to be consistent with Health Plan policies, including “-AG modifier” and “Incident To” methodologies.

Fee-for-service reimbursement using the –AG modifiers per stated requirements for certain codes approved by Health Plan are as follows (and shall be charged to the single community HCB):

SERVICE/PROCEDURE	MAXIMUM ALLOWABLE
Services listed on the OHP Behavioral Health Fee Schedule:	
MD, DO	150% of OHP Allowable ^{1, 2}
PMHNP, PhD, PSYD	100% of OHP Allowable ^{1, 2}
LCSW, LPC, LMFT	100% of OHP Allowable ^{1, 2}

Note: Payment will be based upon the lesser of the billed amount or Health Plan negotiated rates in effect at the time the service or supplies are rendered or provided as specified above.

1. Updates to the schedules noted above shall be updated in accordance to OHP.

2. Health Plan will reimburse based on the rates published as of the date of adjudication.

Eligibility may be retracted by Health Plan and payment discontinued if its evaluation determines that the previously approved clinic site has not maintained fidelity to IBHA model or program requirements.

- 3.2.3 Integrated Behavioral Health – Other Settings. Services provided in clinics that are not primary care clinics may be reimbursed for providing behavioral health services. Payment will be made on a fee-for-service payment for encounterable services as detailed below and charged to the single community HCB. Fee-for-service payments are limited to the codes listed by Health Plan as approved for use within this payment model.

SERVICE/PROCEDURE	MAXIMUM ALLOWABLE
Services listed on the OHP Behavioral Health Fee Schedule:	
MD, DO	150% of OHP Allowable ^{1, 2}
PMHNP, PhD, PSYD	100% of OHP Allowable ^{1, 2}
LCSW, LPC, LMFT	100% of OHP Allowable ^{1, 2}

Note: Payment will be based upon the lesser of the billed amount or Health Plan negotiated rates in effect at the time the service or supplies are rendered or provided as specified above.

1. Updates to the schedules noted above shall be updated in accordance to OHP.

2. Health Plan will reimburse based on the rates published as of the date of adjudication.

- 3.2.4 Specialty Behavioral Health. Services defined as Specialty Behavioral Health services are provided by mental health professionals on an episodic, repetitive basis for mental health and substance use disorder conditions that cannot can be handled by a behavioral health provider providing services integrated with a primary care team. Payment for these services requires execution by provider of a separate contract with Health Plan as a panel behavioral health provider per Exhibit B-1.

3.2.5 Providers agree to engage in meetings every two (2) months with COIPA, SCMG, SCHS, Health Plan, CMHPs and others to review behavioral health and substance abuse expense trends and solutions to address costs in this sector.

3.3 Claims Risk Withhold.

Payments to SCMG and COIPA for professional services shall have eight percent (8%) of the Allowed Compensation, as set forth in Sections 3.1, 3.2.2 and 3.2.3 above, withheld as a Claims Risk Withhold, and in the event of a Deficit in the single community HCB, used to offset such Deficit.

4.0 ALTERNATIVE PAYMENT MODELS

4.1 Pediatric Hospitalist Program.

SCHS shall be paid one dollar and twenty-five cents (\$1.25) per OHP Member, per month, for OHP Members assigned to SCMG and COIPA's primary care providers in Central Oregon, to support a Pediatric Hospitalist Program (the "Program"). This amount will be an expense against the single community HCB, and with payment by Health Plan for any OHP Members assigned to other primary care providers in Central Oregon, to support the costs of the Program. Program revenue and costs, including FTE costs, will be reported showing any deficit/surplus. SCHS will provide, no less than quarterly, the accounting for the Program revenue and costs as described above to Health Plan.

4.2 Provider Incentives for Enhanced Access, Quality Improvement and PCPCH Certification

SCMG and COIPA shall be paid three dollars and thirty cents (\$3.30) per OHP Member, per month, for OHP Members assigned to SCMG and COIPA. This amount will be an expense against the single community HCB, and will be allocated for SCMG and COIPA's best efforts toward:

- Provider supporting access reporting, enhanced access (outside regular business hours), and improvements in response to the results of the Central Oregon Access Study.
- Provider supporting quality improvements activities (including Quality Incentive Metric (QIM) performance), including QIM and eCQM reporting and data submission, and
- Provider supporting programs pertaining to PCPCH certification (including attainment of and maintenance of Tier 5 certification).

SCMG and COIPA shall report to Health Plan on a quarterly basis how the funds were disbursed. This reporting will be used to determine the impact of the funds. Health Plan will also use this reporting to support its communication, health advocacy and negotiation with OHA.

5.0 PREMIUM ALLOCATION.

Health Plan and CMHPs have established the following allocation of premium in order to implement the compensation and risk incentive structure:

5.1 Definitions. Estimated Earned Net Premium Revenue. Estimated Earned Net Premium Revenue shall consist of those global capitation payments (including adjustments and reconciliations with the state of Oregon) received by Health Plan from the State of Oregon for OHP Members assigned to SCMG and COIPA's primary care providers in the Central Oregon CCO for health services under OHP, less premium allocations and/or payments for services in Section 1,H, which include: Dental Care premium allocation paid to DCOs, Non-Emergent Medical Transportation premium allocation paid to NEMT vendors, payments to COHC per the agreement with the COHC including any maximum payment limitation for 2021, taxes, adjustments, premium transfers, innovation grant revenue, OHA-required Hepatitis C reconciliations with OHA as necessary, and any portion of QIM bonus or QIM withhold retained per agreement with the COHC.

5.2 Allocation of Estimated Earned Net Premium Revenue.

After the application of any QDP/GME/MCO/Provider taxes, ACA taxes, OHA-required qualified directed pass-through payments, Health Plan Income Taxes for Medicaid, a payment to fund the COHC in the amount of one percent (1%) of gross premium (not counting pass-through funds) including any maximum payment limitation for 2021 of \$2,500,000 per the agreement of the COHC, premium transfers for Dual Eligible Medicare premium and excluding: Dental Care premium allocation paid to DCOs, Non-Emergent Medical Transportation premium allocation paid to NEMT vendors, innovation grant revenue, OHA-required Hepatitis C reconciliation adjustments with the OHA/state of Oregon as necessary, and QIM withhold retained per agreement with the COHC, the remaining Estimated Earned Net Premium Revenue will be allocated as follows:

- 5.2.1 Administration. Eight and seventy hundredths percent (8.70%) of the remaining Estimated Earned Net Premium Revenue shall be allocated to Health Plan for administration.
- 5.2.2 Amounts Allocated to the single community HCB. Ninety-one and thirty hundredths percent (91.30%) of the remaining Estimated Earned Net Premium Revenue shall be allocated to the single community HCB.

6.0 ALLOCATIONS AND DISBURSEMENT

6.1 Computation of Budget Expenses.

For all OHP Members assigned to primary care providers of SCMG and COIPA, all claims expenses (including Claims Risk Withhold), PMPM fees (including credentialing and any CPC+ expenses), reinsurance/stop loss premium expenses (less recoveries), Pharmacy Expenses (less rebates), Hospital Capitation Payments (including HCW), PCP Capitation Expense, subrogation adjustments, premium/MCO taxes, coinsurance expenses, out-of-area expenses, ancillary expenses, behavioral health/Chemical Dependency (CD) expenses paid to CMHPs, SCHS and other panel providers, Alcohol/Drug Residential expenses, Behavioral Health – Residential expenses, Health Services and other expenses iterated in the Joint Management Agreement (JMA) and JMA budget between Health Plan and the COHC, and any 2021 Bridges Health cost allocations shall be charged to the single community HCB based on the day services were actually rendered with the exception of Late Claims, as defined in Section 6.2 below, which shall be charged to the next year's applicable budget.

6.2 Disposition of Late Claims.

Late Claims are those claims received, processed, and paid later than four months (120 days) after the close of the contract period. Late Claims will be attributed to the next year's applicable budget.

7.0 SETTLEMENT PARAMETERS.

7.1 Settlement Parameters for OHP Members

The following settlement parameters for this Section 7 pertain for OHP Members assigned to SCMG and COIPA's primary care providers. It shall not include the experience of OHP Members assigned to primary care providers of entities other than SCMG and COIPA. CMHPs understand and agree to be subject to the settlement terms of non-provider agreements when CMHPs provide services for OHP Members assigned to non-SCMG and non-COIPA entities.

7.2 Time Period.

Annual Claims Risk Withhold and HCW settlement reports will occur for the 2021 calendar year four months (120 days) after the close of the contract period ending December 31st. Any charges/credits to the applicable budgets that have occurred since the settlement of the previous contract period are accounted for in the settlement of the current period.

7.3 Claims Risk Withhold Settlement Summary.

Health Plan shall be responsible for computing, documenting, and reporting to CMHPs an annual Claims Risk Withhold settlement summary. This report shall be submitted to CMHPs approximately five months (151 days) after year-end. In the event of a dispute between Health Plan and CMHPs regarding the accuracy and completeness of the data reported by Health Plan, Health Plan agrees to an audit of the data by an independent third party mutually agreed upon between Health Plan and CMHPs, which shall be at the sole cost and expense of CMHPs .

7.4 Settlement Sequence – First Settlement (Hospital Capitation Withhold)

There will be two (2) independent settlements. The first settlement will be the settlement of the HCW for OHP Members assigned to primary care providers of SCMG and COIPA.

7.4.1 Allocation. The HCW of twelve percent (12%) of the Hospital Capitation Payment as allocated for the members assigned to primary care providers of SCMG and COIPA will be held by Health Plan until the time of settlement of the single community HCB. This HCW as allocated for the OHP Members assigned to SCMG and COIPA can be earned by the following parties in the following approximate proportions, with the SCMG and COIPA shares adjusted for actual OHP Members assigned to their primary care providers for 2021:

- | | |
|---------|---------------|
| • SCMG | 12.25% of HCW |
| • COIPA | 36.75% of HCW |
| • SCHS | 49.00% of HCW |
| • CMHPs | 2.00% of HCW |

7.4.2 HCW settlement for CMHPs. HCW for OHP Members assigned to primary care providers of SCMG and COIPA will be awarded upon the meeting of performance goals in utilization and process areas as follows and as updated for automatic changes in calendar years or Oregon Health Authority benchmark changes, or as changed via amendment:

1. Follow-Up After Hospitalization for Mental Illness within 7 days (2021 OHA Aligned Measure #37)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result ¹	PacificSource data, administrative claims only
Target	Greater than or equal to (\geq) 90.8%
Population	Central Oregon CCO Members
Measure Specification	OHA Current Specification: Follow-Up after Hospitalization for Mental Illness
Denominator	Per OHA Current Specification. Deviation from Specification: Discharges from Sage View only are included in the Denominator.
Numerator	Per OHA Current Specification
2. Prenatal & Postpartum Care - Postpartum Care (2021 OHA Aligned Measure #15)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result ¹	OHA 2021 Final Hybrid QIM Results
Target	Greater than or equal to (\geq) 80.1%
Population	Central Oregon CCO Members
Measure Specification	OHA (QIM) Current Specification: Prenatal and Postpartum Care
Denominator	Per OHA (QIM) Current Specification
Numerator	Per OHA (QIM) Current Specification
3. Follow-up After ED Visit for Mental Illness within 30 days (2021 OHA Aligned Measure #38)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result ¹	PacificSource data, administrative claims only
Target	Greater than or equal to (\geq) 74.1%
Population	Central Oregon CCO Members
Measure Specification	HEDIS Current Specification: Follow-Up After Emergency Department Visit for Mental Illness
Denominator	Per HEDIS Current Specification
Numerator	Per HEDIS Current Specification
4. Follow-up After ED Visit for Alcohol or Other Drug Abuse or Dependence within 30 days (2021 OHA Aligned Measure #39)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result ¹	PacificSource data, administrative claims only
Target	Greater than or equal to (\geq) 35.5%
Population	Central Oregon CCO Members
Measure Specification	HEDIS Current Specification: Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence
Denominator	Per HEDIS Current Specification
Numerator	Per HEDIS Current Specification

5. Standardized Healthcare-Associated Infection Ratio (2021 OHA Aligned Measure #45)	
Weighting	<i>Clostridium difficile</i> (C. Diff) intestinal infections – 6% Central Line-Associated Bloodstream Infections (CLABSI) – 4% Catheter-associated Urinary Tract Infections (CAUTI) – 6% Methicillin-resistant <i>Staphylococcus Aureus</i> (MRSA) blood infections – 4%
Performance Monitoring	St Charles Hospital
Final Result ²	St Charles Hospital ² <i>*Final result is subject to review and audit by PacificSource</i>
Target	Final rate is not statistically significantly worse than the expected rate. Each rate is measured and scored separately.
Population	All St Charles Hospital hospitalizations (entire St Charles Hospital population regardless of location)
Measure Specification	N/A – Measure Steward: NHSN, NCQA
Denominator	As per NHSN Specification for hospitals
Numerator	As per NHSN Specification for hospitals
<p>¹Final contract performance results will be available after final QIM results are delivered from OHA and will be included in the final reconciliation risk reports.</p> <p>²St Charles Hospital must provide final results for all four (4) Standardized Healthcare-Associated Infection Ratio (SIR) measures by 11:59 PST on March 31, 2022 to be eligible for payout. Performance reporting for each of the four (4) SIR measures must include:</p> <ul style="list-style-type: none"> • Standardized Infection Ratio (SIR) • Count of Observed Infections • Expected (Predicted) Infections • 95% Confidence Interval for SIR (low and high) <p>Final results must be sent via email to the following recipients:</p> <p>RiskReportAnalytics@pacificsource.com Alison.Little@pacificsource.com Peter.McGarry@pacificsource.com</p>	

Health Plan and CMHPs acknowledge that the COVID-19 pandemic in 2021 may have an impact on the achievability of these metrics, and that Health Plan, SCMG, SCHS, COIPA and CMHPs may meet to discuss appropriate and mutually agreeable adjustments from time to time as a result. Any modifications made shall be consistent with known state or federal rules, requirements and guidance.

7.4.3 HCW for SCHS. HCW return for SCHS, per Section 7.4.1 above, shall be determined based on the terms in the agreement between Health Plan and SCHS.

7.4.4 Overage Settlement. In addition to the HCW settlement in Section 7.4.1, there shall be a second settlement intended to share any overage of any Hospital Capitation Payment to SCHS beyond the fee-for-service equivalent of 100% of OHP Allowable Amounts (consistent with all OHA/state of Oregon rules/calculations of DRG inclusion/exclusions and other terms used to calculate revenue paid to Health Plan as CCO). The report to be used as a basis for this calculation is Health Plan's Central Oregon CCO "St. Charles OHP Hospital Capitation Report" (see attached example, concluding this amendment).

Health Plan will calculate: (A) The amount of payment which would have been received by SCHS based on its Hospital Capitation Payment, less HCW, plus its full portion/49% share of HCW calculated as if full performance metrics in Section 7.4.2 are achieved, even if they are not.

Health Plan will calculate: (B) The amount of payment SCHS would have received in lieu of Hospital Capitation Payment, had it been paid 100% of OHP Allowable Amounts (consistent with all OHA/state of Oregon rules/calculations of DRG inclusion/exclusions and other terms used to calculate revenue paid to Health Plan as CCO).

If A is greater than B, Health Plan will calculate this differential and distribute it in the following manner, with the Provider and COIPA shares adjusted for actual OHP Members assigned to primary care providers between the two (2) entities for 2021:

• SCMG	12.25% of HCW
• COIPA	36.75% of HCW
• SCHS	49.00% of HCW
• CMHPs	2.00% of HCW

If B is greater than A, there will be no additional overage calculation or settlement impact on the HCW settlement.

If there is insufficient amounts in the settlement calculation in Section 7.4.1 to cover the amounts owed by SCHS to other entities in Section 7.4.4., it is understood that SCHS will make such payment to other entities directly.

7.4.5 Unearned HCW

Any HCW not paid to CMHPs shall be considered Unearned HCW. Unearned HCW shall be allocated in the following manner:

- 1st Used to offset any Deficits for the single community HCB settlement, after the application of Claims Risk Withhold.
- 2nd Any remaining Unearned HCW will contribute to Health Plan margin, consistent with limitations in the Joint Management Agreement (JMA) between Health Plan and the COHC.
- 3rd Any remaining Unearned HCW will be treated as shared savings under the terms of the JMA.

7.5 **Settlement Sequence – Second Settlement (Health Care Budget, (HCB))**

After completion of the HCW settlement, the single community HCB shall be settled.

- 7.5.1 The single community HCB is established for the following health care expenses for those OHP Members assigned to primary care providers of SCMG and COIPA: Hospital Capitation Payments (including HCW) consistent with Section 2, PCP Capitation payments consistent with Section 2, claims expenses for professional services including those established by the reimbursement terms in Section 3 (including Claims Risk Withhold), Pharmacy expenses (less rebates), out-of-area expenses, and other provider PMPM fees per Sections 4, or other PMPM expenses, ancillary services, reinsurance premium (less recovery amounts), premium/MCO taxes, coinsurance expense, subrogation adjustments, behavioral health/Chemical Dependency (CD) expenses paid to CMHPs, SCHS and other panel providers, Alcohol/Drug – Residential expenses, Behavioral Health-residential expenses, and Health Services and other expenses iterated in the JMA and JMA budget between Health Plan and COHC, as well as any Bridges Health cost allocations for 2021.

7.6 **Budget Surplus or Deficit.**

For the contract period for the experience of OHP Members assigned to SCMG and COIPA, the single community HCB will be compared to actual expenses incurred per Section 7.5 to determine whether a Surplus or Deficit exists.

- 7.6.1 Surplus. If the total value of total covered claims and expenses, including

HCW and Claims Risk Withhold, is less than the HCB, a Surplus exists. Surplus will be limited to seventy percent (70%) of the Surplus amount for 2021, with any increase beyond this amount contingent on a review of the one percent (1%) of gross premium allocated to COHC for community reinvestment. In the event of a Surplus, Claims Risk Withhold and Surplus share amounts will be returned/paid based on the below contingencies by approximately August 30 following the contract year. Any unknown final OHA determinations of QIM revenue or any OHA decisions on any revenue reductions will be applied and adjusted for the following contract year. Surplus amounts may be offset against amounts owed to Health Plan, if amounts owed are not otherwise paid to Health Plan. Surplus payment amounts are additionally determined according to the following:

Surplus and Claims Risk Withhold Contingent on Quality. As a one-time reduction from prior levels for 2021 to help providers due to the Covid-19 pandemic, fifty percent (50%) of the Surplus from the single community HCB will be contingent on quality performance. Twenty-five percent (25%) of any accumulated Claims Risk Withhold return will be contingent on quality performance.

Approximately twelve and six-tenths percent (12.6%) of the Surplus will be earnable by SCMG, forty-two and a four-tenths percent (42.4%) of the Surplus will be earnable by COIPA, forty percent (40%) of the Surplus will be earnable by SCHS, and five percent (5%) of the Surplus will be earnable by the CMHPs and allocated proportionate to CMHP-represented county populations of OHP Members. SCMG and COIPA shares shall be adjusted for actual OHP Members assigned to primary care providers between the two (2) entities for 2021. Fifty percent (50%) of the Surplus and twenty-five percent (25%) of the Claims Risk Withhold are paid contingent on the performance of the below metrics, the majority of which are established and measured by the state of Oregon for the entire Central Oregon CCO, which are based on the final target setting for the Central Oregon CCO by OHA, and will be awarded based on such state of Oregon measurement and state of Oregon final payment. Any other metric not established by the state of Oregon is an alternative metric and indicated with a (*), and is designed and measured by Health Plan. The following metrics will be used:

1. Well-Child Visits in the 3rd, 4th, 5th, and 6th Years of Life (2021 OHA Aligned Measure #3)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result	OHA 2021 Final QIM Results
Target	OHA Central OR CCO 2021 QIM Measure Target
Population	Central Oregon CCO Members
Measure Specification	OHA (QIM) Current Specification: Child and Adolescent Well-Care Visits
Denominator	Per OHA (QIM) Current Specification
Numerator	Per OHA (QIM) Current Specification
2. Immunizations for Adolescents (Combo 2) (2021 OHA Aligned Measure #2)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result	OHA 2021 Final QIM Results
Target	OHA Central OR CCO 2021 QIM Measure Target
Population	Central Oregon CCO Members
Measure Specification	OHA (QIM) Current Specification: Immunizations for Adolescents
Denominator	Per OHA (QIM) Current Specification
Numerator	Per OHA (QIM) Current Specification
3. Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%) (2021 OHA Aligned Measure #31)	
Weighting	20%
Performance Monitoring	PacificSource reporting using Marion-Polk CCO clinic submitted electronic health record data ¹
Final Result	OHA 2021 Final QIM Results
Target	OHA Central OR CCO 2021 QIM Measure Target
Population	Central Oregon CCO Members
Measure Specification	OHA (QIM) Current Specification: Diabetes: HbA1c Poor Control
Denominator	Per OHA (QIM) Current Specification
Numerator	Per OHA (QIM) Current Specification
4. Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (2021 OHA Aligned Measure #37)	
Weighting	20%
Performance Monitoring	PacificSource reporting using PacificSource data, administrative claims only
Final Result	OHA 2021 Final QIM Results
Targets	OHA Central OR CCO 2021 QIM Measure Targets - This is a two-part measure with a target for Initiation and a separate target for Engagement. Both targets must be met.
Population	Central Oregon CCO Members
Measure Specification	OHA (QIM) Current Specification: Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment
Denominator	Per OHA (QIM) Current Specification
Numerator	Per OHA (QIM) Current Specification

5. Behavioral Health Integration for Members with Diabetes and an HbA1c >=9	
Weighting	20%
Performance Monitoring	PacificSource monitoring, using data submitted at least quarterly by participating clinics ²
Final Result	PacificSource, using final report data submitted by participating clinics
Target	Aggregated total of all clinics greater than or equal to (>=) 35%. Exception: Madras Medical Group and Bend Memorial Clinic will be reporting only.
Population	Central Oregon CCO Members receiving care at Mosaic, St Charles Medical Group, or La Pine Community Health Center, Madras Medical Group and Bend Memorial clinics.
Measure Specification	N/A – Measure Steward: PacificSource
Denominator	All Members with a diagnosis of Diabetes Mellitus who had at least one HbA1c >9 during the 2021 calendar year.
Numerator	Members in denominator who received at least one visit with an integrated Behavioral Health Consultant (BHC) in the 2021 calendar year.
<p>¹ Participating organizations must report monthly data to PacificSource by the 20th of each month. To be eligible for payout, final 2021 eQM data submissions must be received by PacificSource from participating clinics no later than 11:59 PM PST on January 20, 2022. All submissions are subject to audit by PacificSource for accuracy.</p> <p>All reporting data submissions must be sent via previously agreed upon SFTP or via email to the following recipient: ecqmreporting@pacificsource.com</p> <p>² To be eligible for payout, participating clinics are required to submit reporting at a minimum of once per quarter using the “Behavioral Health Integration for Members with Diabetes and Depression Report Template” provided by PacificSource. While payout is based only on Behavioral Health Integration for Members with Diabetes and an HbA1c >9, participating clinics must still complete the “Behavioral Health Integration for Members with Diabetes and Depression Report Template” in entirety. Quarterly reports are due:</p> <ul style="list-style-type: none"> • April 30, 2021 (time period 1/1/2021 – 3/31/2021) • July 31, 2021 (time period 1/1/2021 – 6/30/2021) • October 31, 2021 (time period 1/1/2021 – 9/30/2021) • January 31, 2022 (time period 1/1/2021 – 12/31/2021) *Final Report <p>Final results must be sent via email to the following recipients:</p> <p>RiskReportAnalytics@pacificsource.com</p> <p>Alison.Little@pacificsource.com</p> <p>Peter.McGarry@pacificsource.com</p>	

Health Plan and Providers acknowledge that the COVID-19 pandemic in 2021 may have an impact on the achievability of these metrics, and that Health Plan, SCMG, COIPA, SCHS and CMHPs may meet to discuss appropriate and mutually agreeable adjustments from time to time as a result. Any modifications made shall be consistent with known state or federal rules, requirements and guidance.

7.6.2 Unearned Surplus and Claims Risk Withhold Contingent On Quality

Any Unearned Quality Surplus and Claims Risk Withhold shall be allocated in the following manner:

- 1st Used to contribute to Health Plan margin, consistent with the limitation in the Joint Management Agreement (JMA) between Health Plan and the COHC.
- 2nd Any remaining Unearned Surplus Contingent On Quality will be treated as shared savings under the terms of the JMA.

7.6.3 Deficit. If the value of total covered claims and expenses, including HCW and accumulated Claims Risk Withhold from all providers, is more than the single community HCB, a Deficit exists, and any and all Claims Risk Withhold will be used to satisfy the Deficit at an equal percentage for all providers. If any Claims Risk Withhold remains upon the Deficit being reduced to zero dollars (\$0.00), it will be returned to CMHPs with twenty-five percent (25%) of any distributable Claim Risk Withhold return contingent on the performance of the quality metrics in Section 7.6.

Once all CMHPs Claims Risk Withhold is used to offset a Deficit, the only remaining dollars from CMHPs to offset any remaining Deficit shall come from unearned HCW.

7.6.4 Limited Liability for CMHPs. If the Deficit of the HCB exceeds the amount of total Claims Risk Withhold, no further amounts will be payable from CMHPs to reduce the Deficit beyond any unearned amounts.

8.0 GENERAL PROVISIONS.

8.1 Defined Terms.

Any terms not otherwise defined herein shall have the meaning set forth in the Participating Provider Service Agreement.

8.2 Precedence.

In the event of any conflict or inconsistency between this Exhibit and the Participating Provider Service Agreement, such conflict or inconsistency shall be resolved by giving precedence first to this Exhibit then the Participating Provider Service Agreement.

8.3 Health Plan Reporting

Health Plan shall provide to CMHPs accurate and timely reports to assist CMHPs in monitoring utilization, financial, and quality-related data. A schedule of reports and the frequency with which these reports are to be provided is listed below.

Existing Claims Risk	Monthly in 2021 and through March of
Withhold Settlement	2022, by the end of the month, starting six
Report, Central Oregon CCO	(6) months after the beginning of the contract start date.

8.4 Health Services Understanding

Health Plan and SCMG and COIPA signed a separate Letter of Understanding in July of 2015 which detailed the appropriate allocation of certain health care expenses as being part of the single community HCB per Section 6.1 and 7.5. Consistent with that understanding Health Plan (a) has entered into a contract with OHA whereby Health Plan has agreed to manage programs to optimize cost, quality and experience of care for OHP Members, (b) is mandated to operate such programs with auditable reporting requirements, (c) has signed an agreement with OHA (consistent with OHA rules and regulations) which stipulates such program expenses are accounted for outside Health Plan administrative/general expenses and are part of health care expenses which are part of the single community HCB in this Agreement, and (d) calculates a PMPM expense as a percentage of the CCO global budget, to pay for such Health Services programs.

8.5 Requirements

CMHPs will participate in and attest to performing (a) data submission activities pertinent to CCO eQMs EHR-based incentive metrics, (b) data submission requirements including sending accurate data in time and formats determined by CCO to comply with OHA measure specifications, (c) submitting eCQM data to Health Plan on a monthly basis by the 20th of the month and acknowledging reports for the first four months of the calendar year will be provided as early as possible based on the delivery from CMHPs' software vendor, (d) requests for surveys or other information, (e) requests to complete successful CCO data collection/submission activities, and (f) reporting expectations for eQMs for diabetes, hypertension, depression, tobacco prevalence and BMI. CMHPs acknowledges that submission of these requirements is essential as failure to do so for each EHR-based incentive will lead to failure for each eCQM measure, failure to meet the population threshold required and will cause the entire Central Oregon CCO to fail the measure.

CMHPs will perform patient satisfaction surveys in alignment with PCPCH standard requirements, and will share such survey results with Health Plan upon reasonable request.

CMHPs will cooperate with Health Plan on Health Plan's CAHPS Improvement Plans.

CMHPs allows Health Plan to share individual provider performance information such as quality performance metrics with CCO-contracted providers and Health Councils.

8.6 Oregon Health Plan/OHA Capitation Administration Regulations

In the event of (a) requirements rules, regulations or guidance related to applicable provider capitation payments made by Health Plan to CMHPs , and per Health Plan Exhibit L filing and Medical Loss Ratio filings submitted to OHA, and/or (b) Health Plan's and/or OHA's interpretation of applicability of such requirements, rules, regulations, or guidance and applicability of Health Plan's capitation payment methodology with CMHPs , Health Plan may enact the following:

- A charge commensurate with any OHA recoupment, demand for repayment, charge, tax or fee, to be charged against Health Care Budget, and/or
- A renegotiation with CMHPs to revert all payment methodologies entailing CMHPs capitation, to a fee-for-service payment methodology.

CMHPs shall cooperate with Health Plan to produce reports for Health Plan and/or OHA that satisfy to Health Plan and OHA discretion, the requirements, rules, regulations or guidance from OHA related to capitation payments.

8.7 Oregon Health Plan/OHA Possible Premium Revision / MLR-based repayment to OHA

In the event of a revision of premium levels for OHP Members by the state of Oregon/OHA by a net amount deemed by Health Plan to be inconsistent with the 2021 (a) primary care provider capitation rate, (b) professional conversion factors, or (c) hospital capitation rates agreed to in this 2021 amendment to the Agreement, Health Plan will notify CMHPs of such inconsistency in writing, and both parties will enter into a renegotiation of 2021 reimbursement rates in order to achieve consistency with any new Oregon Health Plan/OHA premium levels.

In the event OHA determines Health Plan must pay OHA any sum because the Central Oregon CCO Medical Loss Ratio (MLR), as determined by OHA, does not meet a minimum threshold for the entire population or any benefit-category specific sub populations, Health Plan reserves the right to (a) deduct a pro-rata portion of such repayment from the single community HCB in Section 7, or (b) make direct investments to increase the MLR and offset such expenses with the settlement, upon communication with CMHPs and the COHC.

8.8 MLR Reporting for 2020.

CMHPs shall submit to Health Plan a report for the cost year January 1, 2020 – December 31, 2020 no later than March 30, 2021 using a format accepted by OHA. CMHPs shall refer to “2020 Medical Loss Ratio Rebate Instructions” (as published on the OHA CCO Contract Forms website at <http://www.oregon.gov/oha/healthplan/Pages/cco-contract-forms.aspx>) for support.

8.9 MLR Reporting for 2021.

CMHPs shall submit to Health Plan reports for the cost year January 1, 2021 – December 31, 2021 no later than March 30, 2022 using a format accepted by OHA. CMHPs shall refer to “2021 Medical Loss Ratio Rebate Instructions” (as published on the OHA CCO Contract Forms website at <http://www.oregon.gov/oha/healthplan/Pages/cco-contract-forms.aspx>) for support.

8.10 Health Related Services (Flexible Services and Community Based Health-Related Services.

Consistent with the Health-Related Services Rule adopted by the OHA (which includes member-level disbursements often called “flexible services”, and community-based Health-Related Services, often called “Community Benefit Initiatives”) and the Health-Related Services Brief released by the OHA, along with Health Plan policies approved by OHA, Health Plan will make certain disbursements from the single community HCB from time to time and at Health Plan’s discretion. These disbursements are distinct from Health Plan-provided Health Services.

8.11 Community Health Improvement Plan, Transformation Plan and Health Council Activities.

CMHPs will collaborate with Health Plan, the COHC, and other stakeholders in completing a Community Health Assessment (CHA) and a Community Health Improvement Plan (CHIP), and in carrying out activities to implement the CHIP including any recommendation tied to community access studies. CMHPs will collaborate with Health Plan, the COHC, and other stakeholders to carry out the Transformation And Quality Strategies. For purposes of the CHA, CHIP, or Transformation And Quality Strategies, for reporting to the COHC or any of its subcommittees, or for reporting to OHA, Health Plan may share CMHP’s utilization, membership numbers, and additional performance data. CMHPs will collaborate with Health Plan and the COHC to meet Transformation And Quality Strategies requirements and participate in Transformation And Quality Strategy projects.

8.12 Corrective Action Plans

Health Plan, at its sole discretion and consistent with the expectations of Health Plan by OHA, may determine that CMHP’s performance of obligations, duties and responsibilities under the terms of this Agreement is deficient. In reaching that conclusion, Health Plan may, but is not required to consider third-party audit or other formal review results, peer review results, quality measures, written or oral feedback from members or patients, and any other issues which may be identified by Health Plan. If Health Plan determines CMHP’s performance is deficient for any reason, but that such deficiency does not constitute a Material Breach of the terms of this Agreement, Health Plan may institute a corrective action plan (“CAP”) subject to internal review. Health Plan will notify CMHPs of the terms of the CAP and will provide a CAP reporting template. Health Plan will supply supporting information/data to CMHPs at that time. CMHPs shall have thirty (30) days to resolve the CAP to Health Plan’s satisfaction. Failure to resolve the CAP shall constitute a Material Breach by CMHPs, and Health Plan may terminate this Agreement immediately.

8.13 Cooperation and Engagement in Quality Improvement Process.

The COHC voted to support QIM-related positions within Health Plan and area providers. CMHPs agrees to cooperate with the QIM Practice Facilitator, QIM Improvement Coordinator, QIM Program Manager, and the ED Improvement Coordinator to support success on regional quality measures including the QIMS, as well as to engage and cooperate with the Provider Engagement Panel to support quality improvement in the region.

8.14 Member Assignment

Health Plan may, at its discretion, assign OHP Members to primary care providers. Revisions to assignment procedures may be made in response to objective data related to quality performance, patient access, patient experience, or in response to other information available to Health Plan.

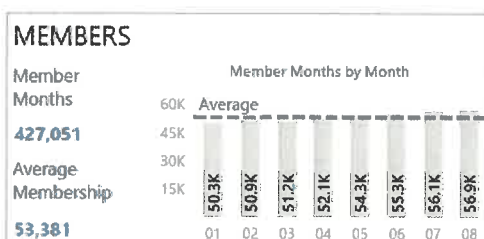
Overage Settlement Example

ST CHARLES OHP HOSPITAL CAPITATION REPORT

CENTRAL OREGON CCO
Coordinated Care Organization (Medicaid)

Incurred: 01/2020 - 08/2020
Paid through: 10/2020

FINANCIALS



HOSPITAL CAPITATION

PMPM

Hospital Capitation (Total)	\$46.8M	\$109.7
Hospital Cap Withhold (HCW)	\$5.8M	\$13.5
Hospital Capitation (w/o Withhold)	\$41.1M	\$96.1
HCW Eligible for Return (SCHS Estimate at 49%)	\$3.0M	\$7.1
Hospital Cap + Estimated SCHS HCW Eligible Return	\$44.1M	\$103.2

	IP	NON-IP	TOTAL
Billed Charges	\$137.05M	\$111.16M	\$248.21M
Billed Completed	\$140.40M	\$113.88M	\$254.27M
Billed PMPM (COMPL)	\$328.76	\$266.66	\$595.41
FFS est	\$21.16M	\$20.48M	\$41.64M
FFS Est Completed	\$21.68M	\$20.98M	\$42.66M
FFS PMPM (COMPL)	\$50.77	\$49.13	\$99.90
FFS Equiv/Billed (%)	15.4%	18.4%	16.8%

WITHHOLD RETURNED DUE TO COVID19

Incurred 202004 - 202010, Paid Through 202010

HCW Return IPA + SCMG	\$2,339,498	\$5.99
HCW Return SCHS	\$2,339,498	\$5.99
HCW Return CMHP	\$95,490	\$0.24

FFS Equivalent (Completed)
vs. Hosp Cap with Return
93.2%

FFS Equivalent (Completed)
vs. Hosp Cap
87.7%

Exhibit H
CCO Fee-for-service and Capitation for Behavioral Health Services
Community Mental Health Program for Central Oregon CCO
Effective 04/01/2021

CMHP Fee-for service and Monthly Capitation Payment

Health Plan will reimburse CMHPs for Therapy Services and Assessment Services on a Fee-for-service basis and on a capitation PMPM basis for Non Encounterable Health Care Costs and Program Allocation costs according to the below rate schedule:

Intensive In-Home Behavioral Health Treatment (IIBHT) Deschutes County Health Services:

CMHP shall provide access to Intensive In-Home Behavioral Health Treatment (IIBHT) services for all eligible Members age twenty (20) and younger in accordance with OARs 309-019- 0167, 410-172-0650, and 410-172-0695. For Deschutes County, IIBHT services shall be submitted using HCPCS code of H0023 and shall be reimbursed through the below capitation table. The services under H0023 are separate from services billed for Behavioral Health outreach and engagement, for which a CPT code will be designated by Health Plan. Until such a time as an alternative code is identified, CMHP will submit non-billable Behavioral Health Outreach and Engagement (H0023) claims valued at the agreed rate of \$169.90 and attributed to Non-Encounterable Healthcare Services Costs in the capitation portion of this contract.

Intensive In-Home Behavioral Health Treatment (IIBHT) Jefferson County Health Services and Crook County Health Services:

CMHP shall provide access to Intensive In-Home Behavioral Health Treatment (IIBHT) services for all eligible Members age twenty (20) and younger in accordance with OARs 309-019- 0167, 410-172-0650, and 410-172-0695. For Jefferson County and Crook County CMHPs, IIBHT services shall be submitted using HCPCS code H0023 and shall be reimbursed at 100% of the current OHA allowable (with an 8% Claims Risk Withhold).

Therapy Services FFS CPT Codes: 90832, 90834, 90837, 90846, 90847, H0004, H0005, H0016, H0038 at 130% of the current OHA fee schedule (with an 8% Claims Risk Withhold)

Assessment Services FFS CPT Codes: 90791, 90792, H0001, H0031, H2000 at 165% of current OHP fee schedule (with an 8% Claims Risk Withhold)

	Non Encounterable services and all other CMHP billed services PMPM	Program Allocation PMPM
Deschutes County Health Services, Public Health Division members domiciled in Deschutes/Klamath County	\$14.09	\$5.00
BestCare members domiciled in Jefferson County	\$12.15	\$7.84
BestCare domiciled in Crook County	\$12.15	\$7.84

CMHP Performance Measure Withhold

Eight percent (8%) will be withheld from the CMHP Fee-for-services payments. These amounts will be reconciled consistent with Exhibit G.

Non Encounterable services/other billed services and Program Allocation Definition:

CMHPs shall provide and report non-encounterable services and system supports. Non-encounterable services and system supports include, but are not limited to: travel, prevention, education and outreach, internal case consultation, co-provided services, outreach and engagement, socialization, and psycho-educational services that are not otherwise encounterable.

Exhibit I
System of Care Governance
Effective 04/01/2021

SECTION 1. PRACTICE LEVEL WORKGROUP. County shall establish, support, and manage a Practice Level Workgroup that performs the following work:

- 1.1 Reviews Wraparound practice barriers;
- 1.2 Removes barriers when possible; and
- 1.3 Submit unresolved system barriers to the Advisory Committee and/or Executive Committee for resolution and/or advancement to the State System of Care Steering Committee.

The Practice Level Workgroup shall consist of representatives of organizations who supervise individuals from local public child serving agencies (Child Welfare, education, juvenile justice, Oregon Youth Authority, Tribal communities, intellectual/development disabilities, Behavioral Health) and shall include meaningful participation from youth and family members. County shall develop a formal charter and new member handbook for the Practice Level Workgroup. County shall report quarterly to Contractor on the progress and work of the Practice Level Workgroup.

SECTION 2. ADVISORY COMMITTEE. County shall establish, support, and manage an Advisory Committee that performs the following work:

- 1.1 Advises on policy development and implementation;
- 1.2 Reviews Fidelity and outcomes;
- 1.3 Provides oversight using a strategic plan; and
- 1.4 Responds to system barriers that the Practice Level Workgroup cannot resolve, including making recommendations to the Executive Council when necessary.

The Advisory Committee shall consist of representatives of Contractor, Contractor's Participating Providers, local public child serving agencies (Child Welfare, education, juvenile justice, Oregon Youth Authority, Tribal communities, intellectual/development disabilities, Behavioral Health), all of whom must have authority to make program level financial and policy changes, and the Advisory Committee must include meaningful participation of youth and family members.

SECTION 3. EXECUTIVE COMMITTEE. County shall create, support, and manage an Executive Committee that performs the following work:

- 1.1 Develops and approves policies and shared decision-making regarding funding and resource development;
- 1.2 Reviews project outcomes; and
- 1.3 Identifies unmet needs in the community to support the expansion of the service array.

The Executive Committee shall consist of representatives of Contractor, Contractor's Participating Providers, local public child serving agencies (Child Welfare, education, juvenile

justice, Oregon Youth Authority, Tribal communities, intellectual/development disabilities, Behavioral Health), all of whom must have authority to make program level financial and policy changes, and the Executive Committee must include meaningful participation of youth and family members.

SECTION 4. POLICIES, PROCEDURES, AND REPORTING DELIVERABLES.

County shall create, maintain, and update policies, procedures, and reporting deliverables to permit Contractor to comply with the CCO Contract. County agrees to submit materials to Contractor for Contractor's review, as described below:

SOC quarterly reporting due to PSCS no later than March 15, June 15, September 15 and December 15, 2020 to include all of the following information:

- a) Barriers that were submitted by the community to the appropriate committee within the SOC governance structure:
- b) Resolved and unresolved outcomes and barriers that were sent to the Statewide SOC steering Committee:
- c) Sources of Funding within the SOC governance structure and what type of funding was used:
- d) List of system partners involved: and
- e) Data informed priorities for the following contract year.

Report	Deliverables	Due Date
SOC Quarterly Report	<ol style="list-style-type: none"> a) Barriers that were submitted by the community to the appropriate committee within the SOC governance structure: b) Resolved and unresolved outcomes and barriers that were sent to the Statewide SOC steering Committee: c) Sources of Funding within the SOC governance structure and what type of funding was used: d) List of system partners involved: and e) Data informed priorities for the following contract year. 	Annually on 3/15, 6/15, 9/15, 12/15
Charters	<ol style="list-style-type: none"> a.) Submit a charter for the Practice Level Workgroup b.) Submit a charter for the Advisory Council c.) Submit a charter for the Executive Council 	Annually by March 15th
New Member Handbook	<ol style="list-style-type: none"> a.) Submit a New Member Handbook and distribute same to each new member of the SOC Governance structure 	Annually by March 15th
Minutes	<ol style="list-style-type: none"> a.) Maintain a formal written record of all System of Care governance activities and make records available at the request of PacificSource Community Solutions or the Oregon Health Authority. 	As requested.

EXHIBIT I-1
FIDELITY WRAPAROUND SERVICES

Effective 04/01/2021

RECITALS

- A. PacificSource is committed to implementing Oregon Health Policy Board Policy #26 (“System of Care (SOC) to be fully implemented for the children’s system”) and Policy #27 (“Require wraparound is available to all children and young adults who meet criteria”), reducing billing system and policy barriers that may prevent community-based providers from billing for services, and developing payment methodologies to reimburse for evidence-based treatments in a community setting.
- B. Wraparound is an intensive care coordination process for youth with emotional and behavioral disorders who are involved in multiple systems. These systems include mental health, addictions, child welfare, intellectual or developmental disabilities, juvenile justice, and education. Wraparound is a team-based, strengths-based process that organizes a youth-and-family-driven system of services and supports. Services and supports are individualized for a youth and family to achieve a positive set of outcomes.
- C. PacificSource is also committed to participating in supporting the continuum of care that integrates health services by means of implementing a System of Care approach that includes models such as wraparound for children with behavioral health disorders.
- D. Provider serves as a Wraparound Provider or supports multiple Wraparound Providers, and Provider specializes in providing wraparound supports to eligible Members in accordance with OAR 309-019-0326. Provider delivers wraparound supports pursuant to Fidelity Wraparound requirements, as required by OAR 309-019-0326 and Exhibit M of the CCO Contract.
- E. PacificSource is including this Attachment by Amendment for the express purpose of supporting wraparound services.

1. WRAPAROUND WORK

PacificSource retains Provider to create, support, and manage the services for its Members in the Service Area as described and in accordance with this Section 1 (the “Wraparound Work”). Provider agrees to render all Wraparound Work in accordance with the terms and conditions of the Agreement and this Attachment, applicable state and federal law, applicable government regulations and guidance, and in conformity with appropriate and accepted standards of care for those services. Nothing herein is intended to create, and shall

not create, any exclusive arrangement between PacificSource and Provider. This Agreement shall not restrict either Party from acquiring similar, equal or like goods or services from other entities or sources. The Parties acknowledge that there may be changes in OHA guidance or interpretation in the future that impact this Agreement. The Parties agree to work together to adjust and incorporate such OHA guidance and interpretations into this Agreement and/or into the work performed hereunder, as well as any new requirements from an amendment to the CCO Contract or as otherwise required by OHA. Provider shall perform Wraparound Work, as described in greater detail below:

- 1.1 **Wraparound Services.** Provider shall administer wraparound care coordination services to Fidelity, consistent with the obligations set forth in Exhibit M of the CCO Contract. In particular, Provider shall:
 - 1.3.1 Ensure certified providers administer the Child and Adolescent Needs and Strengths Assessment (“CANS”) Oregon to members, consistent with the reporting requirements set forth in Exhibit M of the CCO Contract;
 - 1.3.2 Ensure its providers and staff are trained in integration and foundations of Trauma Informed Care, recovery principles, motivational interviewing, assessing for Adverse Childhood Experiences, and rendering services in a Culturally and Linguistically Appropriate manner;
 - 1.3.3 Adhere to applicable elements of the System of Care Wraparound Initiative Guidance Document published by the OHA; and
 - 1.3.4 Complete required documents for each enrolled youth and their family pursuant to the Fidelity model.
- 1.4 **PacificSource’s Wraparound Policies.** Provider agrees to comply with PacificSource’s Wraparound policies and procedures, including those policies and procedures described in Exhibit M of the CCO Contract. Provider also agrees to provide feedback not less than annually in order to support PacificSource in improving its policies and procedures to meet the needs of the local community.
- 1.5 **Wraparound Staff.** Provider will ensure the implementation of Fidelity Wraparound by hiring and training the following staff required in Exhibit M to deliver Wraparound Work:
 - Wraparound Care Coordinator;
 - Wraparound Supervisor;
 - Wraparound Coach;
 - Youth Peer Delivered Service Provider;
 - Family Peer Delivered Service Provider; and
 - Peer Delivered Service Provider Supervisor.
- 1.6 **Workforce.** On not less than an annual basis, Provider agrees to share with PacificSource a summary of its workforce, including whether any of its employed or contracted workforce are certified or grandfathered as traditional health workers,

as well as their corresponding scope of practice. This information will assist PacificSource in meeting the OHA's mandate to align local interests with state-level expectations and increase the number of certified Traditional Health Workers serving the community. After Provider produces this analysis, the Parties agree to meet and review the analysis to discuss barriers and opportunities.

- 1.7 **Assistance in Meeting OHA Obligations.** Provider agrees to cooperate with and assist PacificSource in fulfilling PacificSource's obligations to the OHA with regard to services performed under this Agreement.
- 1.8 **Behavioral Health Report.** Provider agrees to collaborate with PacificSource to complete reporting to the OHA, including the Behavioral Health Report that PacificSource must submit to the OHA on an annual basis.
- 1.9 **Wraparound Care Coordinators.** Provider agrees to work collaboratively with PacificSource's wraparound care coordinators and supervisors ("Wraparound Staff") and other community care coordinators, as reasonably requested. Provider also agrees to participate in technical assistance offered by PacificSource, including training in trauma-informed care principles.
- 1.10 **Participation in System of Care Governance.** Provider agrees to participate in System of Care work groups, including the Practice Level Workgroup, to support a comprehensive, person-centered, individualized, and integrated community-based array of child and youth behavioral health services using System of Care principles.
- 1.11 **Participation in Community Governance.** Provider agrees to participate in the local Community Health Assessment and Community Health Improvement Plan, as may be requested by PacificSource or the Central Oregon Health Council (COHC), from time to time. In addition, Provider agrees to participate in the Community Advisory Council to share valuable perspectives with the community and the COHC.
- 1.12 **Caseloads.** Provider shall track the ratio of care coordinators, family support specialists, and youth support specialists to families served. Provider shall maintain adequate staffing in order to ensure that at no time the ratio of providers to families served exceeds 1:15. If at any time the ratio exceeds 1:15, Provider shall immediately notify PacificSource so that PacificSource may take appropriate next steps pursuant to PacificSource's policies and procedures.
- 1.13 **Data Collection and Reporting.** In order to support Provider and PacificSource's joint efforts to serve Members and in service of the OHA's requirements to collect data about the delivery of wraparound services, Provider agrees to provide reporting to PacificSource that includes the following:

- Baseline utilization and number of clients served (based on 2019 services rendered)
- Counts of Members and families served (monthly)
- Ratio of employed or contracted staff to total number of Members and families served (monthly)
- Number of requests from Members and families for services (monthly)
- CANS Data Request (Quarterly)
- WFI-EZ completed forms (following six months of Member enrollment in Wraparound services).

1.14 **Reporting Penalties.** Provider agrees to supply the reporting deliverables listed in SECTION 11. Provider agrees to indemnify and hold PacificSource harmless against any and all fines, fees, and/or assessments assessed by the Oregon Health Authority as a result of Provider's failure to timely meet the reporting deliverables identified in this Agreement.

1.15 **Workforce Training.** Provider, in partnership with PacificSource, shall identify training needs of its staff and shall address such needs to improve the ability of Provider to deliver Services to assigned Members. Provider shall ensure that all staff receive training as required in the Contract such as, but not limited to, Cultural Responsiveness, Implicit Bias, CLAS Standards, Trauma Informed Care, and uses of data to advance health equity to name a few. Provider shall have mechanisms in place that enable reporting to PacificSource, at PacificSource's reasonable request, details of training activities, annual training plans, training subjects, content outlines, objectives, target audiences, delivery system, evaluations, training hours, training attendance, and trainer qualifications. At a minimum, Provider shall provide PacificSource with an Annual Training and Education Report so that PacificSource may compile such information into PacificSource's report to the OHA.

2. PAYMENT

Provider shall be paid for providing the Wraparound Work pursuant to Attachment H of the Agreement.

3. TERM AND TERMINATION

This Addendum shall be in full force and effect for the Term of the Agreement, unless earlier terminated as provided herein. Either Party may terminate this Addendum, without impacting the Agreement, with the other Party's written consent, which shall not be unreasonably withheld.

4. DATA USE

The Parties recognize and agree that it may be necessary to share certain data with each other that was not anticipated to give this Addendum its full force and effect. The Parties

agree that they will meet and determine the exact data to provide, in accordance with the terms of this Addendum, as it becomes necessary. The additional specifications for that data may be added as an amendment, at any time, to this Addendum as mutually agreed to by the Parties. The Parties acknowledge that the CCO Contract requires significant reporting to OHA, including documentation establishing compliance with OAR 309-019-0326, and agree to work together to ensure the proper completion and filing of such reports so that PacificSource may fulfill its obligations under the CCO Contract. Provider acknowledges that OHA will post many of the reports on its website. Where redaction of certain information is allowed, the Parties will coordinate on the identification of those redactions, although PacificSource will have the right to make the final redactions based on its sole discretion.

Crook County Legal Counsel

Mailing: 300 NE Third St., Rm 10, Prineville, OR 97754 • Phone: 541-416-3919
Physical: 267 NE 2nd St., Ste 200, Prineville, OR 97754 • Fax: 541-447-6705



MEMO

TO: Crook County Court

FROM: Eric Blaine, County Counsel

DATE: May 12, 2021

RE: KIDS Center funding agreement, Amendment 2
Our File No.: Ct. Contracts # 167

Attached is an amendment to the agreement to continue the cooperative working relationship with the County's Child Abuse Multi-Disciplinary Team and KIDS Center to provide child abuse assessments of children in Crook County. The County has provided funding to the KIDS Center for many years and the attached agreement is fundamentally similar to the County's prior funding agreements. The County will continue to provide total funding of \$50,000.00 in quarterly payments over the 2-year amendment duration.

The only change made from prior year's version of this agreement is a new paragraph regarding the provision of certain information to the DA's office. This is to assist the District Attorney in submitting reports to the Oregon Department of Justice and other law enforcement programs.

I have reviewed the agreement for legal and the District Attorney recommends approval.

***Please place this memo and the attached document(s)
on the Wednesday, May 19, 2021 County Court
agenda, as a Consent Agenda item.***

AMENDMENT 2
to
CHILD ABUSE MULTIDISCIPLINARY TEAM AGREEMENT

This Amendment 1 is entered into between Kids Intervention and Diagnostic Service Center (KIDS Center), an Oregon nonprofit corporation, and Crook County, a Political Subdivision of the State of Oregon, on behalf of the Crook County Child Abuse Multi-Disciplinary Team (Crook County).

RECITALS

- A. WHEREAS, KIDS Center and Crook County are parties to that certain Child Abuse Multidisciplinary Team Agreement (hereinafter "the Agreement"), effective July 1, 2019, whereby the parties agree to certain responsibilities in regards to operating a facility to conduct activities related to child abuse investigation and treatment; and
- B. WHEREAS, the Agreement has previously been amended on or about February 19, 2020; and
- C. WHEREAS, the KIDS Center and Crook County wish to extend the duration of the Agreement, as described herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is acknowledged, KIDS Center and Crook County agree as follows:


1. Adoption of Recitals: The above Recitals are incorporated into and made a part of this Amendment 1, as terms of contract and not mere recitals.
2. Effective Date: This Amendment 2 becomes effective on July 1, 2021.
3. Extension of Duration: The duration of the Agreement is extended to June 30, 2023, unless sooner terminated as described therein.
4. Except as modified by this Amendment 2, the Agreement as previously amended remains in full force and effect.

///

///

5. Execution in Counterpart: The parties agree that this Amendment 2 may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.

**KIDS INTERVENTION AND
DIAGNOSTIC SERVICE (KIDS) CENTER**



Gil Levy, KIDS Center Director

Date: 5/12/2021

CROOK COUNTY

By: _____

Title: _____

Date: _____

**Crook County
PERSONAL SERVICES EMPLOYMENT AGREEMENT**

This Personal Services Employment Agreement ("Agreement") is between Crook County, a political subdivision of the State of Oregon ("Employer") and Jerry Kathan, an individual ("Employee").

1. Effective Date and Duration

This Agreement will become effective on when signed by both parties and continue until terminated as provided herein.

2. Scope of Services

The Employee will perform the services ("Work") described in Attachment A and incorporated by reference into this Agreement. The Employee agrees to perform the Work in accordance with the terms and conditions of this Agreement.

3. Fee for Services

Employer agrees to pay the Employee a fixed fee of \$55.00 per hour for the on-call services described in the Scope of Services (Attachment A). The services will not exceed 450 hours in a 12-month period. No employee benefits will be provided to Employee.

4. Attachments

The following documents which are attached to this Agreement are incorporated herein and by this reference made part hereof.

- ☒ Scope of Services (Attachment A)
- ☒ Additional Provisions (Attachment B)

Employer and Employee acknowledge that they are in agreement with the terms and conditions as set forth in this Authorization.

ACCEPTED FOR EMPLOYER:

ACCEPTED FOR EMPLOYEE:

By: _____

By: _____

Print: _____

Print: Jerry Kathan

Title: _____

Title: Employee

Date: _____

Date: _____

ATTACHMENT A

Scope of Services

On-Call Procedure: Employee will provide Employer with a reliable phone number, and other contact information as may appropriate, for use in reaching Employee when services are needed. Hours of service will be two Fridays per month with Saturday hours as needed. It is anticipated that the services will be required for a maximum of sixty-four (64) hours per month.

Employee will keep the Crook County apprised of anticipated periods of unavailability (vacations, doctor's appointments, etc.) to help planning work schedules.

Employee will perform the following services:

- Provide technical assistance to the public and addresses questions regarding proper residential and small commercial on-site wastewater management.
- Conduct on-site evaluations to determine the type and size of onsite system that is suitable for a specific property.
- Evaluate existing on-site systems and issues reports on system age, type and other basic information.
- Review construction permit applications to ensure that systems are installed in a manner that is consistent with the site evaluation.
- Review and issue permits to repair existing systems based on on-site system inspections.
- Provide guidance and training to the County's Environmental Health/Sanitarian trainee.

Employee will comply with the terms of the Crook County Employee Policy Handbook, except as those policies offer or implement employee benefits, and except as those policies conflict with the terms of this Agreement. County will provide Employee with a copy of the Handbook at its expense.

Employer will provide Employee with use of computer and vehicles, to be used in furtherance of these services. In the event that the Employee uses his own vehicle, mileage will be reimbursed at a rate of \$0.56/mile.

ATTACHMENT B

ADDITIONAL PROVISIONS

1. [RESERVED].
2. [RESERVED].
3. Confidentiality. During the course of performance of work under this Contract, Employee may receive information regarding organizations and the county's business practices, employees, clients, etc. Employee agrees to maintain the confidentiality of such information and to safeguard such information against loss, theft or other inadvertent disclosure.
4. Authorized Signatures Required. Only those persons authorized by Employer may enter into a binding agreement or contract, including a purchase order, for the purchase or sale of goods or services on the part of Employer. All persons doing business with Employer shall be responsible for being familiar with the County Purchasing Rules and Procedures and for ensuring that the person purporting to act for Employer has been duly authorized.
5. Payment by Employer. Employer will pay invoices on the 10th or 25th days of the month based upon date the invoice is received.
6. [RESERVED]
7. Compliance with the Laws. Employee agrees to comply with the provisions of this contract, Title VI of the Civil Rights Act of 1964, and with all applicable federal, state, county and local statutes and rules.
8. Protection of Personal Information. If Employee obtains any personal information as defined in ORS § 646A.602(11) related to this agreement or concerning any County employee, Employee agrees to provide appropriate safeguards to protect the security of this information. Employee shall have provided appropriate safeguards by meeting or exceeding the requirements stated in ORS §646A.622.
9. Conditions concerning payment, contributions, liens, withholding. Pursuant to ORS 279B.220, Employee shall:
 - a) Make payment promptly, as due, to all persons supplying to the Employee labor or material for the performance of the work provided for in the contract.
 - b) Pay all contributions or amounts due the Industrial Accident Fund from the Employee or subcontractor incurred in the performance of the contract.
 - c) Not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.
 - d) Pay to the Department of Revenue all sums withheld from employees under ORS 316.167.
10. Condition concerning payment for medical care and providing workers' compensation. Pursuant to ORS 279B.230, Employee shall:
 - a) Promptly, as due, make payment to any person, co-partnership, association or

corporation furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of Employee, of all sums that Employee agrees to pay for the services and all moneys and sums that Employee collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services.

b) Comply with ORS 656.017 or if not exempt under ORS 656.126.

11. Entire Agreement. This agreement signed by both parties is the final and entire agreement and supersedes all prior and contemporaneous oral or written communications between the parties, their agents and representatives.
12. Amendments. This agreement may be supplemented, amended or revised only in writing signed by both parties.
13. Assignment/Subcontracting. Neither party may assign or subcontract this Agreement, in whole or in part, without the prior written consent of the other party.
14. Insurance. Employee shall furnish Employer evidence of motor vehicle liability insurance of not less than \$500,000 combined single limit for any motor vehicle operated by Employee, its agents or employees in the performance of this Agreement.
15. Termination. The employment relationship created by this Agreement is At Will, and either party may immediately terminate this Agreement upon written or oral notice to the other party, with or without cause.
16. No Authority to Bind Employer. Employee has no authority to enter into contracts on behalf of Employer. This agreement does not create a partnership between the parties.
17. [RESERVED]
18. Governing Law and Venue. Any dispute under this agreement shall be governed by Oregon law with venue being located in Prineville, Oregon.
19. Severability. If any part of this agreement shall be held unenforceable, the rest of this agreement will remain in full force and effect.
20. Attorney Fees. In the event an action, lawsuit or proceeding, including appeal therefrom, is brought for failure to observe any of the terms of this Contract, each party shall bear its own attorney fees, expenses, costs and disbursements for said action, lawsuit, proceeding or appeal.
21. Counterparts. This Agreement may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.

Judge Crawford, Commissioner Brummer and Commissioner Barney,

Eric Blaine contacted me about the IGA with Yamhill County to allow the housing of juveniles specifically in their 30-day program. It expires June 30 and needs to be reviewed. I believe it's on the agenda May 12th. We have used this program three times in the past with positive results.

Just some quick info on the program before you consider renewing it: The program which is located in the Yamhill Detention Center focuses on cognitive restructuring and character development. They place a strong emphasis on mentoring and motivational process between staff and youth. It is highly structured, but not as strict as the program at NORCOR 30 program. The Yamhill program has a strong staff, but also uses volunteers from their community who provide classes in music, art, mediation skills, healthy relationships, health/wellness information and NA/AA groups. The youth in the program participate in regular education in the facility. When they leave the program, we are provided with a termination summary which includes recommendations. The program also regularly places notes in the JJIS system so we are constantly updated on their progress....or lack thereof....

If renewed, we do plan to use the Yamhill program in the future. Not all youth respond to the NORCOR program, so having another such as what Yamhill offers, helps us develop a case plan to best meet the youth's needs.

Thanks for your consideration. deb

**AMENDMENT 3 TO AGREEMENT
FOR HOUSING OF JUVENILE OFFENDERS
Yamhill County / Crook County**

This Amendment 3 is made by and between Yamhill County, a political subdivision of the State of Oregon ("Yamhill"), and Crook County, a political subdivision of the State of Oregon ("Crook"), each acting through its duly elected Board of Commissioners/County Court and Juvenile Directors.

RECITALS

WHEREAS, on July 1, 2018, Crook entered into an Agreement for Housing of Juvenile Offenders ("Agreement") with Yamhill, with the original term running until June 30, 2019; and

WHEREAS, the parties have since entered into Amendments No. 1 and No. 2 to Agreement for Housing of Juvenile Offenders, wherein the duration of the Agreement was extended (most recently to June 30, 2021); and

WHEREAS, both parties wish to further extend the Agreement.

IN CONSIDERATION of the matters described above, and of the mutual benefits and obligations set forth in the Agreement, the parties agree as follows:

AGREEMENT

1. The parties hereby extend the Agreement for an additional year to June 30, 2022, unless terminated sooner pursuant to the terms of the Agreement.
2. This Amendment may be executed in one or more counterparts, including electronically transmitted counterparts, which when taken together shall constitute one in the same instrument. Facsimiles and electronic transmittals of the signed document shall be binding as though they were an original of such signed document.
3. In all other respects the Agreement shall remain in full force and effect.

DATED this ____ day of June 2021.

YAMHILL COUNTY

CROOK COUNTY

Printed Name: _____
Its: _____

Seth Crawford, County Judge

Printed Name: _____
Its: _____

Jerry Brummer, County Commissioner

Printed Name: _____
Its: _____

Brian Barney, County Commissioner



Request to place business before the Crook County Court

Important Note: The County Court is the legislative, policy-setting body of Crook County. Matters which come before the Court should as a general rule be those of general concern to Crook County residents and Crook County. Administrative matters which are the purview of individual departments will be placed on the agenda at the request of the Department Head. By completing this form, you are asking to be placed on the agenda.

Please return this form to Crook County Administration Office via
Email: amy.albert@co.crook.or.us; or Mail: 300 NE 3rd St., Prineville OR 97754

Your name: A.J. Siegmann Date of Request: 5/3/21
Email: caringforthecoast@gmail.com Phone: 541-706-1222
Address (optional): Powell Butte

1. What is the date of the Court meeting you would like to appear at? 5/19/21
2. Describe the matter to be placed before the Court: Request to establish Crook County, Oregon as a 2nd Amendment Sanctuary County
3. What action are you requesting that the Court take? That the Court declare the County to be a 2nd 2nd Amendment Sanctuary County and that it will not enforce any unconstitutional State or Federal firearms law/restriction.
4. What is the cost involved with your request, if applicable? There is no cost to this proposal.
5. Please estimate the time required for your presentation.
☒ 5 minutes ☐ 10 minutes ☐ 15 minutes ☐ other _____ minutes
6. Are you (or will you be) represented by legal counsel?
✓ Yes (please name your attorney) _____
 No, I am not currently represented. (Note: it is your obligation to advise the Court if at any time you retain legal counsel to assist you in this matter.)
7. If you have a physical disability and require an accommodation, please specify your need:

Optional Endorsement:

Signature of County Judge/Commissioner endorsing this request and requesting placement of the agenda: *(A request submitted at the request of a sponsoring commissioner, will be placed on an appropriate agenda. All other matters will be considered for appropriateness for consideration by the full Court in view of the above criteria.)*

Court member signature

Date

COLLECTIVE BARGAINING AGREEMENT
(JULY 1, 2021 to JUNE 30, 2025)

BETWEEN

CROOK COUNTY

AND

CROOK COUNTY DEPUTY SHERIFFS'
ASSOCIATION

TABLE OF CONTENTS

PREAMBLE	4
ARTICLE 1 – RECOGNITION	4
ARTICLE 2 – MANAGEMENT RIGHTS	4
ARTICLE 3 – ASSOCIATION SECURITY	5
3.1 Dues Check Off	5
3.3 Religious Objection	5
3.4 Hold Harmless	5
ARTICLE 4 – ASSOCIATION BUSINESS	5
4.1 Representatives	5
4.2 Visits	6
4.3 Association Business	6
4.4 Meetings	6
4.5 Bulletin Boards	6
ARTICLE 5 – HOURS OF WORK AND OVERTIME	6
5.1 Workweek and Workday	6
5.2 Rest and Meal Periods	6
5.3 Overtime	7
5.4 Work Schedule	7
ARTICLE 6 – MILEAGE AND PER DIEM	8
ARTICLE 7 – COMPENSATION	8
7.1 Wages	8
7.2 Non-Classified or New Position	9
7.3 Movement on the Schedule	9
7.4 Certification Pay	9
7.5 Incentive Pay	9
7.6 Overtime Rate of Pay	10
7.7 Call-In Time	10
7.8 Longevity Pay	10
7.9 No Pyramiding	11
ARTICLE 8 – HEALTH AND WELFARE	11
8.1 Insurance Benefits	11
8.2 Insurance Committee	11
ARTICLE 9 – PERSONAL TIME OFF (PTO)	11
9.1 Accrual	11
9.2 Maximum Accrual	12
9.3 Scheduling	12
9.4 Payment Upon Termination or Death	12
9.5 PTO Buy Back	12
9.6 Time Of in Lieu of Holiday Time	12
ARTICLE 10 – RETIREMENT	12
ARTICLE 11 – SICK LEAVE	13
11.1 Accrual	13
11.2 Utilization	13
11.3 Verification	13

11.4 Layoff	13
11.5 Workers' Compensation	13
11.6 Abuse.....	13
11.7 Sick Leave Cash-Out	14
ARTICLE 12 – PTO AND SICK LEAVE DONATION	14
ARTICLE 13 – LEAVE OF ABSENCE	14
13.1 Criteria and Procedure	14
13.2 Jury Duty	14
13.3 Parental and Family Leave	15
13.4 Compassionate Leave	15
13.5 Voting Leave	15
13.6 Military Leave	15
13.7 Family Medical Leave of Absence	15
ARTICLE 14 – UNIFORMS AND EQUIPMENT	15
14.1 Uniforms.....	15
14.2 Equipment.....	16
ARTICLE 15 – DISCIPLINE.....	16
15.1 Discipline and Discharge.....	16
15.2 Due Process	16
15.3 Form of Discipline.....	17
15.4 Just Cause Guidelines	17
15.5 Right to Association Representation	18
ARTICLE 16 –PROBATIONARY PERIOD	18
ARTICLE 17 – SETTLEMENT OF DISPUTES	18
17.1 Grievance Procedure.....	18
17.2 Time Limits	19
ARTICLE 18 – SENIORITY	20
18.1 Definition.....	20
18.2 Reduction in Force.....	20
18.3 Recall	20
18.4 Notice.....	20
ARTICLE 19 – STRIKES	21
19.1 No Strike.....	21
19.2 Association Obligation	21
19.3 No Lockout.....	21
ARTICLE 20 – TRAINING.....	21
20.1 Training	21
20.2 Travel to attend Training	22
ARTICLE 21 – SAVINGS CLAUSE.....	22
ARTICLE 22 – RESERVE DEPUTIES	22
ARTICLE 23 –TERM OF AGREEMENT.....	22
APPENDIX A	

PREAMBLE

- a) This Collective Bargaining Agreement is entered into, by and between, Crook County, a political subdivision of the State of Oregon, hereinafter referred to as the "County", the Sheriff for Crook County, Oregon, hereinafter referred to as the "Sheriff" and Crook County Deputy Sheriff's Association (CCDSA) referred to as "Association".
- b) It is the intent and purpose of this agreement to assure sound and mutually beneficial working conditions and economic relations between the County and the Association; to provide an orderly and peaceful means of resolving any misunderstanding or differences regarding the interpretation of this agreement which may arise; and to set forth herein the basic and full agreement between the County, the Sheriff and the Association.

ARTICLE 1 – RECOGNITION

- a) The bargaining unit shall consist of all employees of the County employed in the Sheriff's Office who regularly work 20 hours or more per week, excluding reserves, supervisory and confidential employees. Employees who work less than 40 hours but more than 20 hours per week shall be defined as part time employees. The parties further agree that employees appointed to positions for less than 6 months shall not be subject to this Agreement. The County agrees not to supplant full- time Bargaining Unit positions by hiring part-time positions or temporary full- time positions in place of budgeted full-time employees.
- b) The Association is recognized as the sole and exclusive bargaining agent for all employees in the bargaining unit for the purpose of negotiations with respect to employment relations.

ARTICLE 2 -MANAGEMENT RIGHTS

Except as otherwise specifically limited by the terms of this agreement, the County and the Sheriff retain all of the customary, usual and exclusive rights, decision making, prerogatives, functions and authority connected with, or in any way incident to, their responsibility to manage the affairs of the Sheriff's Office or any part of it. Without limitation, but by the way of illustration, the exclusive prerogatives, functions and rights of the County and Sheriff shall include the following:

- a) To direct and supervise all operations, functions and policies of the office in which, the employees in the bargaining unit are employed;
- b) To manage and direct the work force, including, but not limited to, the right to determine the methods, processes and manner of performing work; the right to hire, promote, and retain employees, the right to determine schedules of work and personal time off; the right to purchase, dispose of and assign equipment and supplies;

- c) To determine the need for a reduction or an increase in the work force;
- d) To establish, revise and implement standards for hiring, classification, promotion, quality of work, safety, materials and equipment;
- e) To implement new and to revise or discard, wholly or in part, old methods, procedures, materials, equipment, facilities and standards.

However these rights do not preclude the Association from exercising its rights to bargain any mid contract changes by the County of mandatory subjects of bargaining.

ARTICLE 3 – ASSOCIATION SECURITY

3.1 Dues Check Off

The county agrees to deduct the uniformly required Association dues each month from the pay of those employees who have authorized such deductions in writing.

3.2 Religious Objection

Any individual employee who objects to a payment in lieu of dues on bona fide religious tenets or teachings of a church or religious body, of which such employee is member, will inform the County and the Association of the objection. The employee will meet with representatives of the Association and establish a mutually satisfactory arrangement for distribution of a contribution of an amount of money equal to fair share dues described in 3.2 above to a non-religious charity or to another charitable organization mutually agreed upon by the employee and the Association. The employee shall furnish written proof to the Association that payment has been made as appropriate.

3.3 Hold Harmless

The Association will indemnify, defend and hold the County harmless against any claims made and against any suit instituted against the County as a result of any action taken pursuant to the provisions of this article. The Association and the County each agree to reimburse any monies paid or not paid in error within 30 days of notification of such error.

ARTICLE 4 – ASSOCIATION BUSINESS

4.1 Representative

The Association will select certain agents as Association Representatives and certify in writing their names to the County and the Sheriff.

4.2 Visits

Association representatives, upon notification to the Sheriff or a designee, may visit with employees during breaks or meal periods. Such visits shall not be allowed in non-public areas of the Sheriff's Office. Visits outside of those allowed for above may be granted only with the express approval of the Sheriff or a designee.

4.3 Association Business

- a) The internal business of the Association shall only be conducted during non-duty hours except with the permission of the Sheriff or a designee.
- b) Subject to the operational needs of the Sheriff's Office, the Association shall be allowed one on-duty employee to attend scheduled contract negotiations. The employee selected shall suffer no loss of pay or other benefits as a result of their attendance at such meetings. The Association shall notify the Sheriff in writing the name of the on-duty employee that would attend such meetings.

4.4 Meetings

The Association shall be allowed the use of County facilities to hold meetings provided such space is available for such use.

4.5 Bulletin Boards

Bulletin board space shall be provided the Association for the posting of meeting notices and other information of interest of its members. Such materials shall not be derogatory or inflammatory in nature.

ARTICLE 5 – HOURS OF WORK AND OVERTIME

5.1 Workweek and Weekday

- a) For Sheriff Deputies, the workweek shall begin at 0001 hours on Sunday and end at 2400 hours on Saturday, and the normal work schedule shall consist of 40 hours in a 7-day workweek. The workweek shall normally consist of 5 consecutive 8 hour days or 4 consecutive 10-hour days, or 3 consecutive 10 and 12-hour days. For Sheriff's Deputies, the workweek may consist of 80 hours in a 14-day workweek comprised of either 2 or 3 consecutive 12 or 10-hour workdays. It is expressly understood that the Sheriff reserves the right to determine work schedules. The Sheriff shall provide a minimum of 7-days notice prior to a change in normally assigned shift schedules.
- b) When, due to a change of shifts, a deputy works more than 5 consecutive days, the deputy shall receive time and one-half pay or compensatory time for any portion of the 2 days following the 5 consecutive days that he/she must work.

5.2 Rest and Meal Periods

- a) Sheriff's criminal/patrol, technical, parole and probation and corrections deputies on each shift shall receive at least a 1/2 hour paid lunch break and two 15 minute paid breaks. All other deputies shall receive a 1-hour unpaid lunch break and two 15 minute paid breaks.
- b) Lunch breaks and other paid breaks shall not be combined with each other in any combination. Lunch breaks and paid breaks shall not be taken during the first and last hour of any assigned shift without approval of the Sheriff or Undersheriff.

5.3 Overtime

- a) All work performed by Deputy Sheriffs in excess of 40 hours in a workweek or 8 hours in a workday shall be compensated through the payment of overtime pay at the rate of time and one half or compensatory time off at the Sheriff's option. A Deputy Sheriff who is assigned to a schedule consisting of 12 and 10 hour workdays shall receive compensation for all work performed in excess of 80 hours in a 14-day workweek or 12 hours in a 12-hour shift or 10 hours in a 10-hour shift in a workday in the form of overtime pay at the rate of time and one half or compensatory time off at the Sheriff's option.
- b) For the purposes of calculating overtime, the use of Personal Time Off (PTO) or Compensatory Time shall count as time worked.
- c) Employees who are assigned to special work details, (i.e., narcotics investigators, detectives, parole and probation deputies, etc.), that require them to work a schedule that is irregular shall only receive overtime after 40 hours in a workweek.
- d) All other employees shall receive overtime for any hours worked over 8 hours in a workday.
- e) Sheriff deputies who are assigned less than 8 hours off between shifts, shall receive overtime compensation at a rate of one and one half his/her normal rate of pay for the second shift.
- f) All overtime shall be rounded to the next highest one-quarter hour.
- g) Traveling to attend training outside of the local area (Crook County) is an employee privilege granted by the Sheriff. The county will compensate an employee who attends approved training and will compensate the employee overtime if the training day requires overtime.

5.4 Work Schedule

- a) Work schedules showing the employees' shifts, workdays and hours shall be posted on an Office bulletin board at all times and /or posted electronically. Employees are required to review the schedule, at least once, for each shift that he/she is expected to come to the office.

- b) Work schedules will be posted 7 days in advance of the effective date.
Established work schedules will not be changed with less than 7 days advance notice, except for emergencies.

ARTICLE 6 – MILEAGE AND PER DIEM

- a) The following rates shall be paid employees that are required to report for work at any location outside of the employee's regular work station:

Mileage - IRS mileage rate if required to use personal vehicle.

Meals – Breakfast	\$8.00 or actual, whichever is less
Lunch	\$14.00 or actual, whichever is less
Dinner	\$20.00 or actual, whichever is less

The total amount for three meals for one day (24 hours) shall not exceed forty-two and no/100 dollars (\$42.00)

Lodging - Actual cost.

- b) Any employee may request advance expenses when such costs are known.

ARTICLE 7 – COMPENSATION

7.1 Wages

- a) Employees shall be compensated in accordance with the salary schedules attached to this agreement and marked appendix "A", which is hereby incorporated into and made a part of this agreement.
- b) Employees shall advance to the next higher step on their anniversary date until they reach the top step, as provided in Section 7.3, provided the employee receives a Meets Standards or higher rating on their annual evaluation.
- c) Effective July 1, 2021, the County shall increase all salaries in appendix "A" by 3%, except for Office and Tech Deputy positions that shall increase by 5%.
- d) Effective July 1, 2022, the County shall increase all salaries in appendix "A" by 3%.
- e) Effective July 1, 2023, the County shall increase all salaries in appendix "A" by 3%.
- f) Effective July 1, 2024, the County shall increase all salaries in appendix "A" by 3%.

7.2 Non-Classified or New Position

- a) When any position not listed on the salary schedule is established and belongs in the bargaining unit, the County shall designate a job classification and pay rate for the position. The Association shall be notified and the pay rate established by the County shall be considered tentative until the Association has been afforded an opportunity to meet and discuss the matter.
- b) If the Association does not agree that the pay rate(s) are proper the Association may submit the issue as a grievance through the grievance procedure beginning at Step 2.

7.3 Movement on the Schedule

- a) For employees hired or reclassified between the 1st day and the 15th day of the month, their anniversary date shall be retroactive to the 1st day of the current month.
- b) For employees hired or reclassified between the 16th day and the last day of the month their anniversary date shall be the 16th day of the current month.

7.4 Certification Pay

- a) Sheriff's deputies, (criminal/patrol, corrections and parole & probation, etc.) who receive and present the DPSST "Intermediate Level Certificate" to the sheriff will be paid as follows:

\$200 monthly for the term of the contract July 1, 2021 – June 30, 2025.

- b) Sheriff's deputies, (criminal/patrol, corrections and parole & probation, etc.) who receive and present the DPSST "Advanced Level Certificate" to the Sheriff will be paid as follows:

\$200 monthly for the term of the contract July 1, 2021 – June 30, 2025.

- c) Deputies who qualify for both certificates will receive a maximum benefit under this provision of:

\$400 monthly for the term of the contract July 1, 2021 – June 30, 2025.

- d) A deputy who qualifies under the provisions of a) and b) above will be compensated the additional amount beginning as described in Section 7.3 above.

7.5 Incentive Pay

- a) A deputy who is appointed as a Field Training Deputy (FTO) is eligible for Incentive Pay during the pay periods that they actually perform such duties.

Crook County Sheriffs Association Agreement - Expiration June 30, 2025

15 years – 2%

25 years – 4%

- c) Longevity pay will start on the anniversary date of the eligible employee as described in Section 7.3.

7.9 No Pyramiding

Compensation shall not be received twice for the same hours.

ARTICLE 8 - HEALTH AND WELFARE

8.1 Insurance Benefit

- a) The County will pay 90% and the employee will pay 10% of the premiums for individual and family insurance benefits. The County shall continue to provide medical insurance reasonably comparable to the existing overall insurance benefits provided to Association members (considering benefits, deductibles, co- pays, etc.). The County will continue to provide the current paid life insurance plans.
- b) The County will provide a Cafeteria Plan (IRS) as of July 1, 1993 which deducts from an employees pay, prior to FICA, Federal income tax and State income tax being withheld, their out of pocket costs for the current Medical Plans.
- c) The above benefit will be prorated for part-time bargaining unit employees based on the number of hours worked each month and will be provided so long as the part-time employee makes up the difference of the benefit cost.

8.2 Insurance Committee

The County and the Association agree to work together to look for alternative insurance programs that will reduce the cost of the full family insurance benefit. The County and the Association agree that the Association will have a representative on the Benefits Advisory Committee. The Benefits Advisory Committee will consist of an equal number of management and Crook County employee representatives. The function of the Benefits Advisory committee is to recommend to the County Court/Board of Commissioners any changes in insurance coverage of benefits.

ARTICLE 9 - PERSONAL TIME OFF (PTO)

9.1 Accrual

Employees shall accrue PTO as follows based on continuous time with the County:

00 – 05 years	14.67 hours per month
06 – 10 years	18 hours per month
11 – 15 years	21.33 hours per month
16 + years	24.67 hours per month

Crook County Sheriffs Association Agreement - Expiration June 30, 2025

9.2 Maximum Accrual

Employees may not accrue more than twice their annual accrual rate of PTO.

9.3 Scheduling

- a) PTO shall be scheduled by mutual agreement.
- b) Employees shall be allowed to schedule PTO on the basis of their seniority once each year.
- c) Such request for seniority scheduling shall be submitted not later than January 31st of each year. All other PTO will be scheduled on a first come, first serve basis if approved by the Sheriff.
- d) All employees shall take at least forty consecutive hours (of PTO) once per fiscal year, provided they have that amount accrued. Deputy Sheriffs assigned to a schedule consisting of 12 and 10 hour workdays or 80 hours in a 14-day workweek shall take at least three (3) consecutive workdays (of PTO) off once per fiscal year, provided they have that amount accrued.

9.4 Payment Upon Termination or Death

In the event of termination or death the employee or their heirs shall be paid for all unused accrued PTO time.

9.5 PTO Buy Back

Employees may cash in a single block of forty hours of PTO per fiscal year.

9.6 Time Off in Lieu of Holiday Time

- a) Personal Time Off shall be granted in lieu of all vacation and holidays including but not limited to Christmas, Thanksgiving and County Holidays.

ARTICLE 10 – RETIREMENT

- a) The County will continue to fully fund PERS and pick up the employees 6% contribution for all police employees as defined by the state statute and allowed for by PERS. All other employees not eligible for inclusion in PERS shall be included in the current County retirement plan.
- b) For employees covered under the County Retirement Plan, the County shall contribute \$375.00 per month during the term of this agreement.

ARTICLE 11 – SICK LEAVE

11.1 Accrual

Full-time employees will accrue sick leave at the rate of 8 hours per month, beginning with the employee's date of hire. Employees may accrue a maximum of 1080 hours of sick leave.

11.2 Utilization

Employees are eligible for sick leave for the following reasons:

- a) Personal illness or physical disability;
- b) To attend a dentist or physician appointment which cannot be scheduled during off duty time.
- c) When an employee is needed during the illness or disability of an immediate member of that employee's family.

11.3 Verification

- a) The Sheriff may require a doctor's or dentist's verification for each of these three uses of sick leave. For the use of sick leave for illness or disability of an immediate family member, the employee requesting such sick leave normally should request it prior to the sick leave being taken.
- b) If the Sheriff has reason to believe that the employee is abusing sick leave, the Sheriff may request medical verification from the employee's doctor or dentist.

11.4 Layoff

Should an employee be laid off for other than disciplinary reasons, and recalled to employment within 18 months of layoff, no loss in accumulated sick leave shall occur. No sick leave shall accrue, nor may any sick leave be used during the layoff period.

11.5 Workers' Compensation

Employees shall not receive any sick leave benefits in the event of an on-the-job injury except that the County will pay for the first 3 days if not compensated by insurance. Once an employee has returned to work, doctor appointments or medical treatments as a result of such injury or illness will be compensated as time worked if during normal working hours.

11.6 Abuse

Abuse of sick leave is cause for disciplinary action.

11.7 Sick Leave Cash-Out

- a) Employees who are eligible to retire, who have a minimum of ten years' service with the County and who have accrued a minimum of 600 hours of unused sick leave, shall be eligible to cash-out one half of their unused sick leave hours up to the cap placed on sick leave accrual.
- b) The maximum amount of unused sick leave that may be cashed-out under this provision is 500 hours.
- c) Such cash-out shall not replace the existing PERS sick leave conversion program.

ARTICLE 12 – PTO AND SICK LEAVE DONATION

Employees may participate in the County PTO and Sick Leave donation program as outlined in the Crook County Employee Handbook, Leave Sharing Plan policy.

ARTICLE 13 – LEAVE OF ABSENCE

13.1 Criteria and Procedure

- a) The Sheriff will consider a written application for leave of absence without pay not to exceed 180 calendar days if the Sheriff finds there is reasonable justification to grant such leave and that the work of the Office will not be seriously handicapped by the temporary absence of the employee. The written application must describe the reason for the request and confirm a specified date at which the employee is expected to return to work. Such leave shall not be approved for the purpose of accepting employment outside the service of the County; and notice that the employee has accepted permanent employment or entered into full-time business or occupation may be accepted by the Sheriff as a resignation.
- b) Any employee who is granted a leave of absence without pay under this section and who for any reason fails to return to work immediately upon the expiration or termination of said leave of absence shall be considered as having resigned his/her position with the County. Employees returning to work from a leave of absence shall be returned to work in accordance with provisions of Section 18.3.
- c) Employees on leave without pay, for any reason, shall not accrue any benefits.

13.2 Jury Duty

Employees shall be granted leave with full pay whenever they are required to report for jury duty. The amount of pay received for this jury duty shall be reduced from the employee's full pay, except for travel pay if a private vehicle is used.

13.3 Parental and Family Leave

Parental leave shall be granted in accordance with state statute.

13.4 Compassionate Leave

- a) In the event of death in an employee's immediate family, the employee shall be granted 3 days paid leave for the purpose of attending the funeral and/or tending to family needs resulting from the death. A minimum of 2 additional days paid leave may be granted from the employee's personal accrued leave.
- b) For the purpose of this section, the immediate family shall be defined as the employee's spouse, children, step-children, grandchildren, mother, father, step-mother, step-father, brother, sister, grandparents, mother-in-law, father-in-law and any other relative residing within the employee's household.

13.5 Voting Leave

Employees shall be granted reasonable opportunity to vote on any election day if, due to scheduling of work, they would not otherwise be able to vote.

13.6 Military Leave

Military pay shall be granted in accord with State and Federal law.

13.7 Family Medical Leave of Absence

The County shall grant family medical leave of absence in accordance with ORS-659A.150. PTO, sick leave, and all other accrued leave may be used for this classification of leave. After PTO, sick leave, and all other accrued leave is depleted then any remaining family leave of absence will be without pay.

ARTICLE 14 – UNIFORMS AND EQUIPMENT

14.1 Uniforms

- a) The Sheriff will determine appropriate uniforms for the Office. Deputies will be furnished with the required uniforms. When appropriate uniforms are changed by the Sheriff or when uniforms become worn or destroyed, the Office will furnish new uniforms.
- b) The office will provide each deputy with approved footwear every 2 years or as necessary, up to the amount of \$250.
- c) Up to two uniforms per full time employee, per week, shall be cleaned by the Office at no cost to deputies.

- d) Deputies needing alterations to uniforms shall submit a request for those alterations, in writing, to the Sheriff for approval. If approved, the Office shall bear the cost of alterations.

14.2 Equipment

- a) The Sheriff shall determine the firearms to be used by the Office and each road deputy shall be furnished with an approved firearm.
- b) If a Deputy wishes to carry a personal firearm, he/she must first submit that firearm to the Sheriff who shall determine if it meets Office requirements.
- c) The Office will provide required protective equipment for employees.
- d) The Office will issue ammunition to each deputy who participates in a program of organized training and practice. Such ammunition is to be used in organized training and practice sessions.
- e) All duty ammunition will be provided by the office.

ARTICLE 15 – DISCIPLINE

15.1 Discipline and Discharge

- a) Non-probationary employees shall only be disciplined or discharged for just cause. Oral warnings or reprimands are not considered to be discipline and may not be protested through the grievance procedure.
- b) Probationary employees work at the pleasure of the Sheriff and do not establish property rights in their positions until they have successfully completed the probationary period, as described in Article 16.1.
- c) Records of disciplinary action shall be removed from the employee's personnel file after 5 years, provided there has been no reoccurrence of the same or similar offense during the five-year period.

15.2 Due Process

- a) In the event the Sheriff believes an employee may be subject to discipline greater than a written reprimand, the following procedural due process shall be followed:
 - 1. The employee shall be notified of the charges or allegations that may subject them to discipline.
 - 2. The employee shall be notified of the disciplinary sanctions being considered.

3. The employee will be given an opportunity to refute the charges or allegations in writing or orally in an informal hearing.
4. At their request, the employee will be entitled to be accompanied by a fellow employee or a representative of the Association at the informal hearing.
5. Before a due process hearing is scheduled the employee shall be provided with copies of documents concerning the allegations that subject an employee to discipline, except when the Sheriff determines that disclosure would endanger the safety of any person or would compromise a related investigation, or where such disclosure is prohibited by law. If documents are not provided, an explanation of the reasons for the decision will be provided in writing.

15.3 Form of Discipline

When disciplining an employee, the Sheriff shall make every reasonable effort to avoid embarrassing the employee before other employees or the public.

15.4 Just Cause Guidelines

- a) For the purpose of this agreement, just cause shall be determined in accordance with the following guidelines.
 1. The employee shall have some warning of the consequences of their conduct, unless the conduct is of such a nature that no prior warning is necessary in the eyes of a reasonable person.
 2. If a rule or order is the subject of the alleged misconduct, it must be reasonable and applied evenhandedly, if appropriate.
 3. The Sheriff must conduct a reasonable investigation.
 4. It must be determined that the employee is guilty of the alleged misconduct or act.
 5. The discipline must be appropriate based on the severity of the misconduct or the actual or likely impact the misconduct has or would have on the employer's operation.
 6. The employee's past employment record shall be considered, if appropriate, based on the severity of the act.
- b) The above guidelines shall not preclude the Association from raising issues appropriate to defend employees in an arbitration setting.

15.5 Right to Association Representative

During any questioning which an employee reasonably believes may lead to discipline the employee shall be entitled to Association representation.

ARTICLE 16 – PROBATIONARY PERIOD

16.1 Probationary Period

DPSST certifiable employees hired into the bargaining unit shall serve a probationary period of 18 months, except for laterally hired law enforcement or corrections certified employees who will serve a 12 month probationary period. Any current non-certified employee hired into a certified position will serve an 18 month probationary period. All other employees shall serve a probationary period of 6 months.

16.2 Completion of Probation

The Association recognizes that probationary employees must earn their property rights in their job by their successful completion of the probationary period. The Association recognizes the right of the Sheriff to terminate or discipline probationary employees for any reason, with or without cause, and any such discipline shall not constitute a violation of this contract, and shall not be subject to the grievance procedure.

ARTICLE 17 – SETTLEMENT OF DISPUTES

17.1 Grievance Procedures

Any dispute concerning the application or interpretation of this agreement shall be resolved in the following manner and sequence:

Step 1.

- a) If after first attempting to resolve the dispute informally, the grievance remains unresolved, the affected employee(s) shall present the grievance in writing to their immediate supervisor within 10 calendar days immediately following the date the employee had or should have had knowledge of the grievance, whichever date is earlier. The written grievance shall include:
 - a. A statement of the grievance and the factual allegations upon which it is based;
 - b. The section(s) of this contract alleged to have been violated;
 - c. The remedy sought;
 - d. The name and signature of the individual(s) submitting the grievance.
- b) Within 10 calendar days immediately following the receipt of the grievance, the immediate supervisor shall reply in writing to the person(s) who submitted the grievance.

Crook County Sheriffs Association Agreement - Expiration June 30, 2025

Step 2.

If the grievance is not answered or resolved at Step 1 above and if the affected employee(s) or if the Association wishes to pursue the grievance further, the affected employee(s) or Association shall submit the grievance in writing to the Sheriff within 10 calendar days immediately following the date the response at step 1 above is received or due, whichever is earlier. Within 10 calendar days immediately following the receipt of the grievance, the Sheriff shall respond in writing to the person(s) who submitted the grievance.

Step 3.

- a) If the grievance is not answered or resolved at step 2 above and if the Association wishes to pursue the grievance further, the Association shall submit the grievance to arbitration within 10 calendar days following the date the Sheriff's response pursuant to step 2 above is due or received, whichever is earlier.
- b) If the parties are unable to mutually agree upon an arbitrator within 7 calendar days following the County's receipt of the Association's submission to arbitration, either party may submit a written request to the State Conciliation Service that it submit to the parties a list of names of 7 arbitrators. Upon receipt of the list, the parties shall flip a coin, with the loser striking first and alternate strikes until only one name remains and the remaining name shall be the arbitrator.
- c) The arbitrator shall have the authority to issue subpoenas, examine witnesses and documentary evidence, administer oaths and affirmations, and regulate the course of the arbitration hearing. The arbitrator shall have no power to modify, add to or subtract from the terms of this agreement and shall be confined to the interpretation and enforcement of this agreement. The arbitrator's decision shall be in writing and shall be submitted to the parties within 30 days following the close of the hearing. The arbitrator's decision shall be final and binding on the affected employee(s), the Association, the County and the Sheriff.
- d) Either party may request the arbitrator to issue subpoenas but if issued, the cost of serving the subpoena shall be borne by the party requesting the subpoena. Each party shall be responsible for compensating its own witnesses and representatives during the arbitration hearing. The losing party shall pay all the arbitrator's fees and expenses.

17.2 Time Limits

- a) All parties subject to these procedures shall be bound by the time limits contained herein. If either party fails to follow such time limits, the following shall result:

Crook County Sheriffs Association Agreement - Expiration June 30, 2025

1. If the grievant or the Association fails to respond in a timely fashion, the grievance shall be deemed waived.
2. If the County or the Sheriff fails to respond in a timely fashion, the grievance shall proceed to the next step.

b) The parties may extend time limits by mutual written agreement.

ARTICLE 18 – SENIORITY

18.1 Definition

Seniority shall be defined as the total length of continuous service from the employee's last date of hire in the Sheriff's Office.

Seniority shall be terminated if an employee:

1. Quits.
2. Is discharged for just cause.
3. Is laid off and fails to respond to written notice as provided in this Article, Section 18.3.
4. Is laid off work for a period of time greater than 18 months or a period of time equal to the employee's seniority, whichever is shorter.
5. Fails to report to work at the termination of a leave of absence.
6. While on a leave of absence accepts employment without permission.
7. Is retired.

18.2 Reduction in Force

If the County should reduce its work force, layoffs shall be made within each job classification in the Office on the basis of seniority. The County agrees to notify the affected employees and the Association, simultaneously, not less than 30 days prior to any layoff by forwarding the name and occupational classifications of the employees to be laid off.

18.3 Recall

Any employee covered by this agreement who may be on layoff due to a force reduction shall be notified of the vacancy and privileged to return to work on the basis of their seniority before any outside person is given employment, provided that such employee is competent to fill existing vacancies, for a period of 18 months from the date of layoff.

18.4 Notice

It shall be the responsibility of the employee(s) laid off to keep the County informed of the address at which they may be reached and re-employment shall be offered in person or by certified mail addressed to the last address furnished by the employee. When an offer of re-employment has been made, the former employee shall advise the County of acceptance within

one calendar week and shall report for duty within 10 calendar days of the receipt of the notification by the County, unless prevented by circumstances, beyond their control, from reporting within that time period. An employee who fails to accept re-employment at their previous position when offered by the County in accordance with provisions of this Article shall be deemed to have forfeited all rights hereunder.

ARTICLE 19 – STRIKES

19.1 No Strike

The Association and its members, as individuals or as a group, will not initiate, cause, permit, or participate or join in a strike, work stoppage, or slowdown, or any other restrictions of work, at any location in the County during the term of this contract. Employees in the bargaining unit, while acting in the course of their employment, shall not honor any picket line established in the County by the Association or by any other labor organization when called upon to cross picket lines in the line of duty. Disciplinary action, including discharge, may be taken by the Sheriff against any employee(s) engaged in a violation of this Article. Such disciplinary action may be undertaken selectively at the option of the Sheriff and shall not preclude or restrict recourse to any other remedies, including an action for damages, which may be available to the County.

19.2 Association Obligation

In the event of a strike, work stoppage, Slowdown, picketing, observance of a picket line, or other restriction of work in any form either on the basis of individual choice or collective employee conduct, the Association will immediately, upon notification, attempt to secure an immediate orderly return to work. This obligation and the obligations set forth in section 17.1 above shall not be affected or limited by the subject matter involved in the dispute giving rise to the stoppage or by whether such subject matter is or is not subject to the grievance and mediation provision of this agreement.

19.3 No Lockout

The County shall not lockout employees for the life of this agreement.

ARTICLE 20 – TRAINING

20.1 Training

- a) The Sheriff and the Association both affirm their commitment to continuing education for the Sheriff's employees. The Sheriff agrees to take advantage of training opportunities.
- b) This effort will be made consistent with budgetary and staffing constraints. Training announcements shall be posted on the bulletin board in the Office, or by electronic means.

Crook County Sheriffs Association Agreement - Expiration June 30, 2025

20.2 Travel to attend Training

- a) At times when training requires traveling out of the local area the Sheriff may provide transportation to such training.
- b) If such traveling time exceeds the normal workday or workweek, deputies will be compensated as required by State or Federal law.
- c) Employees shall be covered by county insurance while operating county vehicles within the course and scope of their employment.

ARTICLE 21 – SAVINGS CLAUSE

Should any portion of this contract be held contrary to law, such decision shall apply only to the specific portion thereof directly specified and all other provisions of this agreement shall remain in full force and effect for the duration of this Agreement. Upon such declaration, the parties agree to immediately negotiate a substitute, if possible, for the invalidated portion thereof.

ARTICLE 22 – RESERVE DEPUTIES

No bargaining unit employees shall be laid off or have their hours reduced due to increased use of reserve deputies. Reserve deputies will not be assigned the duties of bargaining unit employees who have been laid off or had their hours reduced. The Office will not expand the duties of reserve deputies without negotiating the expansion with the Association.

ARTICLE 23 – TERM OF AGREEMENT

- a) This agreement shall be effective July 1, 2021, and shall continue in effect and full force and effect through June 30, 2025. Thereafter, the contract shall automatically renew itself and continue in full force from year-to-year unless written notice to modify any provision of this agreement is given by either party to the other no later than November 1 prior to the expiring year.
- b) This agreement may be amended at any time by mutual agreement of the parties. Such amendment shall be in writing and signed by the parties.
- c) During the period of negotiations this agreement will remain in full force and effect.

CROOK COUNTY

Seth Crawford, County Judge

Brian Barney, Commissioner

Jerry Brummer, Commissioner

Date: _____

OFFICE OF THE SHERIFF

John Gautney, Sheriff

Date: _____

CROOK COUNTY DEPUTY SHERIFF'S
ASSOCIATION

Kurt Klein
CCDSA President

Date: _____

APPENDIX "A"

CROOK COUNTY SHERIFF'S OFFICE

BARGAINING UNIT EMPLOYEES

JULY 1, 2024 - JUNE 30, 2025 SALARY SCHEDULE

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
----------------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Detective

Deputy (17a)	\$5,133.70	\$5,332.88	\$5,539.80	\$5,754.74	\$5,978.03	\$6,209.97	\$6,450.92	\$6,701.22	\$6,961.22
Intermediate Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Advanced Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00

Criminal Patrol Deputy

Deputy (17p)	\$5,008.48	\$5,202.81	\$5,404.68	\$5,614.38	\$5,832.22	\$6,058.51	\$6,293.58	\$6,537.77	\$6,791.43
Intermediate Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Advanced Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00

Parole & Probation Officer/ Corrections Deputy

Deputy (17)	\$4,773.92	\$4,959.14	\$5,151.56	\$5,351.44	\$5,559.08	\$5,774.77	\$5,998.83	\$6,231.58	\$6,473.37
Intermediate Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Advanced Cert	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00

Work Program/Community Service Coordinator

Deputy (14)	\$3,856.53	\$4,006.16	\$4,161.60	\$4,323.07	\$4,490.80	\$4,665.05	\$4,846.05	\$5,034.08	\$5,229.40
-------------	------------	------------	------------	------------	------------	------------	------------	------------	------------

Technician

Deputy (13)	\$3,601.30	\$3,741.03	\$3,886.18	\$4,036.97	\$4,193.60	\$4,356.32	\$4,525.34	\$4,700.92	\$4,883.32
-------------	------------	------------	------------	------------	------------	------------	------------	------------	------------

Crew Supervisor

Deputy (12)	\$3,378.41	\$3,509.49	\$3,645.66	\$3,787.11	\$3,934.05	\$4,086.69	\$4,245.26	\$4,409.97	\$4,581.08
-------------	------------	------------	------------	------------	------------	------------	------------	------------	------------

Office

Deputy (11)	\$3,183.72	\$3,307.25	\$3,435.57	\$3,568.87	\$3,707.34	\$3,851.19	\$4,000.61	\$4,155.84	\$4,317.08
-------------	------------	------------	------------	------------	------------	------------	------------	------------	------------

Annual Step 9

\$83,534.69
\$2,400.00
\$2,400.00

\$81,497.17
\$2,400.00
\$2,400.00

\$77,680.42
\$2,400.00
\$2,400.00

\$62,752.79

\$58,599.83

\$54,972.97

\$51,804.99

**IN THE COUNTY COURT OF THE STATE OF OREGON
FOR THE COUNTY OF CROOK**

IN THE MATTER OF

ORDER #2021-25

Accepting revenue, changing related appropriations, line
item adjustments and changing expenditure budget
appropriations for County Funds for Fiscal Year 2020-21

WHEREAS, this Order is made in accordance with ORS 294.471(1)(c) which provides that funds that are made available by another unit of federal, state or local government, and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period after enactment of an appropriation resolution or ordinance.

BE IT THEREFORE ORDERED that the Crook County Court hereby adopts this Order for the increases/decreases in revenues and expenditures for the purposes shown in the attached "Exhibit A" and makes the changes in appropriation for the fiscal year ending June 30, 2021.

DATED this 19th day of May 2021.

CROOK COUNTY COURT:

SETH CRAWFORD, County Judge

JERRY BRUMMER, County Commissioner

BRIAN BARNEY, County Commissioner

Exhibit A for Court Order 2021-25

Fund	Department	Current Budget	Change	Revised Budget
Health Services	Grant Programs	2,976,989	811,378	3,788,367

Appropriation of grant resources awarded after the adoption of the FY 2021 budget

Health Grant Programs			Total	\$ 811,378
	Description	Change	GL Number	Amount
	Misc Revenue	Increase	301-1951-343.43-16	18,362
	Personnel	Increase	301-1951-510.01-22	13,362
	Materials & Services	Increase	301-1951-520.15-19	4,500
	Materials & Services	Increase	301-1951-520.35.13	500
	Federal Grant Revenue	Increase	301-1409-322.00-00	626,396
	Personnel	Increase	301-1409-510.01-06	82,400
	Personnel	Increase	301-1409-510.01-22	79,100
	Personnel	Increase	301-1409-510.02-01	21,600
	Personnel	Increase	301-1409-510.02-02	700
	Personnel	Increase	301-1409-510.02-03	97,200
	Personnel	Increase	301-1409-510.02-04	800
	Personnel	Increase	301-1409-510.02-05	400
	Personnel	Increase	301-1409-510.02-06	19,100
	Materials & Services	Increase	301-1409-520.15-19	191,096
	Materials & Services	Increase	301-1409-520.35-13	125,000
	Materials & Services	Increase	301-1409-520.40-17	4,000
	Materials & Services	Increase	301-1409-520.66.99	5,000
	Federal Grant Revenue	Increase	301-1409-322.00-00	166,620
	Materials & Services	Increase	301-1409-520.15-19	166,620

Fund	Department	Original Budget	Change	Revised Budget
General	Non-Departmental	5,588,351	388,452	5,976,803

Federal grant money awarded to pay for small business assistance

Non-Departmental			Total	\$ 388,452
	Description	Change	GL Number	Amount
	Federal Grants	Increase	101-9900-322.00-00	388,452
	Materials & Services	Increase	101-9900-520.35-13	388,452