

**MEMO OF UNDERSTANDING
BETWEEN
AGENCY 1
AND
THE AGENCY 2**

The AGENCY 2 and Agency 1 intend by this agreement to set forth the mutual goals, objectives, and scope of the integrated health project. The parties agree as follows:

I. DEFINITIONS

Agency 2: The Community Mental Health Services Provider, a program operated under contract with the (Insert State Name) Department of Community Health.

Serious and Persistently Mentally Ill (SPMI): State term for Medicaid and indigent recipients who meet established criteria that entitles them to public mental health services.

II. MUTUAL GOALS AND OBJECTIVES

1. Identify public mental health consumers who are Agency 1 patients and who might be appropriate to use Agency 1 as their “medical home”.
2. Improve the overall health of consumers involved in the project.
3. Enhance Agency 1 service capacity by having on-site substance abuse and mental health screening and regular ongoing therapy services located at the primary clinic.
4. Enhance Agency 1 service capacity via ready access to adult psychiatric consultation for the public SPMI patient.

III. IDENTIFIED PARTNERS

Identified partners in this project include the following:

- AGENCY 2, providing funding and project oversight;
- Agency 1, a primary healthcare provider for vulnerable citizens.

IV. TARGET POPULATION

The target population will be public mental health consumers who are already patients at Agency 1, as well as other vulnerable patients with mental health or substance abuse issues served by Agency 1 who are not currently consumers of public mental health services.

The number of public mental health consumers served at Agency 1 is unknown at this time, but is expected to be at least fifty (50).

V. EXPECTED OUTCOMES, MEASURES, AND BENEFITS

1. Demonstration of an effective public-private as evidenced by:

- Improved health care for the mutual consumer/patient as a result of one integrated team communicating regularly about patient care, and a medical home for the consumer/patient;
- Enhanced services for vulnerable populations at Agency 1;
- Expansion of Agency 1 on-site services for vulnerable populations.

2. A blueprint for integrated treatment in (insert State Name).

3. Specific clinical outcomes to be determined, but may include:

- Increased ability by primary care staff to manage mental health and substance abuse disorders in a primary health care setting;
- Prevention of medical and psychiatric deterioration via early identification and direct, on-site treatment of at-risk consumers and families;
- Improved health by increasing medication adherence via psychosocial interventions;
- Reduction in poverty-related destabilizing events, such as eviction prevention.

4. Agreement indicator

- The identification of common consumers/patients and the inclusion of those individuals in the project to determine if Agency 1 could become their medical home. This presumes that the staffing provided by AGENCY 2 would remain in place.

Review: A regular review by all stakeholders shall occur regarding the progress of the project.

VI. FINANCING PLAN

Funding: AGENCY 2 shall provide funds for mental health staffing as agreed between the parties with the goal that the project will be sustainable over time.

Staffing: Mental health staff located at Agency 1 shall be CMHC employees

Billing: CMHC will bill and collect for mental health services provided by the CMHC employees located at Agency 1. Billable services and capitation offsets will apply towards AGENCY 2 costs.

Annual Report: AGENCY 2 will prepare an annual report, which will be shared with Agency 1. It is the hope and expectation that results will support a continuing partnership.

VII. POLICIES AND PROCEDURES

Agency 1 agrees to follow those polices, procedures, and administrative directives or other documents as specified by the AGENCY 2. During the term of this Agreement, AGENCY 2 shall advise Agency 1 of any applicable modifications to the Mental Health

Code or any changes in the AGENCY 2 Policies and Procedures or the MDCH Administrative Rules promulgated according to the (Insert State Name) which have a bearing on this Agreement or Agency 1. Agency 1 shall expressly acknowledge receipt of any such changes.

VIII. HIPAA COMPLIANCE AND CONFIDENTIALITY

HIPAA Compliance: Agency 1 shall be in compliance with all applicable aspects of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Administrative Simplification Section, Title II, Subtitle F, regarding standards for privacy and security of PHI (protected health information) as outlined in the Act.

Agency 1 Requirements. Agency 1, as a business associate of AGENCY 2, must agree to appropriately safeguard any protected health information received from, or created or received by the Agency 1 on behalf of AGENCY 2 in accordance with AGENCY 2 policies and applicable state and federal laws.

A. Appropriate Uses and Disclosures of PHI. Agency 1 may use or disclosure such information:

- for the proper management and administration of its business;
- for purposes of treatment, payment (if allowed by law), or healthcare operations;
- for the purpose of providing data aggregation services relating to the health care operations of AGENCY 2 (“data aggregation” means combining protected health information created or received by the provider to permit data analyses that relate to the health care operations of a covered entity); or
- for purposes set forth in AGENCY 2 policies or required by law.

Agency 1 will not use or further disclose the information other than as permitted or required by this Agreement, or as required by law. Any other use or disclosure of protected health information must be made pursuant to a properly executed Release of Information.

B. Subcontractors. Agency 1 will ensure that any agents, including any subcontractors, to whom it provides protected health information received from, or created or received by Agency 1 on behalf of AGENCY 2 agrees to the same restrictions and conditions that apply to Agency 1 with respect to such information.

C. Consumer Requests to Review Record. Since AGENCY 2 is the holder of the mental health record for public mental health consumers, AGENCY 2 will respond to any consumer request to review such records. Agency 1 should notify AGENCY 2 immediately of the receipt of any such request.

D. Cooperation with the Secretary of Health and Human Services. Agency 1 will make its internal practices, books, and records relating to the use and disclosures of protected health information received from, or created or received by Agency 1 on behalf of AGENCY 2 available to the Secretary of Health and Human Services, or its designee,

for the purpose of determining AGENCY 2's compliance with the Health Insurance Portability and Accountability Act of 1996.

E. Agreement Termination. At termination of this Agreement, Agency 1 will return all protected health information received from, or created or received by Agency 1 on behalf of AGENCY 2 that Agency 1 still maintains in any form, and will retain no copies of such information. If such return is not feasible, Agency 1 must extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

F. Breaches of Confidentiality. If Agency 1 becomes aware of a material breach or any violation of its obligation to protect the confidentiality and security of consumers' protected health information, Agency 1 must immediately take reasonable steps to cure the breach or end the violation, and must report the breach or violation to the AGENCY 2 Privacy Officer. The alleged breach or violation will be investigated and an appropriate sanction issued. AGENCY 2 reserves the right to terminate this Agreement if it determines that the Agency 1 has violated a material term of the Agreement.

G. Additional Confidentiality Requirements: Agency 1 acknowledges that consumers of public mental health services are entitled to additional confidentiality protections awarded under the (Insert State Name) Mental Health Code, which may supercede the confidentiality protections provided by HIPAA. Furthermore, consumers of substance abuse treatment services are entitled to additional confidentiality protections awarded under 42 CFR, Part 2, which may supercede the confidentiality protections provided by HIPAA. When serving public mental health consumers or when providing substance abuse treatment services at its site, Agency 1 will comply with the confidentiality requirements of these and any other applicable state or federal laws, rules, or regulations.

IX. STAFF SUPERVISION

Agency 1 will participate in the oversight and supervision of CMHC staff working on site at Agency 1.

X. NOTICE

Any notice substantially affecting the terms or conditions of this Agreement shall be directed to:

AGENCY 2: Executive Director
 Insert Address

PACKARD CLINIC: Executive Director
 Insert Address

XI. INDEMNIFICATION

The parties shall protect, defend, and indemnify one another, one another's Board members, officers, agents, volunteers, and employees from any and all liabilities,

claims, liens, demands, costs, and judgments, including court costs, costs of administrative proceedings, and attorney's fees, which arise out of the occupancy, use, service, operations, performance or nonperformance of work, or failure to comply with federal, state, or local laws, ordinances, codes, rules and regulations, or court or administrative decisions, negligent acts, intentional wrongdoing, or omissions by either party, its officers, employees, agents, representatives, or subcontractors in connection with this Agreement. Nothing herein shall be construed as a waiver of any public or governmental immunity granted to AGENCY 2 and/or any representative of AGENCY 2 as provided in statute or court decisions.

XII. TERMINATION

Termination Without Cause. Either party may terminate this agreement by giving thirty (30) days written notice to the other party.

Termination Effective Immediately Upon Delivery of Notice. The above notwithstanding, either party may immediately terminate this agreement if upon reasonable investigation it concludes:

1. That the other party's Board of Directors, Director/CEO, or other officer or employee has engaged in malfeasance;
2. That the other party lost its state licensing (if applicable);
3. That the other party lost its eligibility to receive federal funds;
4. That the other party cannot maintain fiscal solvency.

XIII. AUTHORITY TO SIGN

The persons signing below certify by their signatures that they are authorized to sign this Agreement on behalf of the party they represent, and that this Agreement has been authorized by said party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

Agency 2 AGENCY 1

Date

Date
Executive Director

Executive Director