Form 3 Notes

Contract Price

The Contract price is composed of two primary components. The first is the incremental increase in the per member per month (PMPM) payments made to MassHealth's managed care companies as a result of the proposed privatization. The second is the increase in the interagency service agreement (ISA), a yearly transfer of funds from DMH to MassHealth for the purpose of compensating the state's managed care companies for providing services to the uninsured.

MassHealth and its actuary partner developed estimates of the marginal increases in the PMPM paid to MassHealth managed care companies should the proposed privatization be completed. All marginal PMPM increases were calculated using contract year 4 (CY4) and Revenue Year 16 (RY) data. These costs are included in Exhibit 23.

The program actuaries identified the two applicable population rating categories (RC I and RC II) likely to be impacted by the proposed privatization across MBHP, the state's Managed Care program and CarePlus programs:

- Rating Category 1 (RC I): Includes all Temporary Assistance to Need Families (TANF) and excludes children with a third party liability (TPL) payer
- Rating Category II (RC II): Includes all disabled members, those with supplemental security income (SSI) and those on supplemental security disability insurance (SSDI)
- Rating Category IX (RCIX): Includes individuals ages 21 through 64 with incomes up to 133% federal poverty level (FPL), who are not pregnant, disabled, a parent or caretaker relative of a child under age 19, or eligible for other EOHHS coverage.
- Rating Category X (RC X): includes individuals ages 21 through 64 with incomes up to 133% FPL, who are not pregnant, disabled, a parent or caretaker relative of a child under age 19, or eligible for other EOHHS coverage, who are also receiving emergency assistance to elderly, disabled, and children (EAEDC) through the Massachusetts Department of Transitional Assistance.

The overall costs associated with these various categories are summarized below:

Program	***Risk Category***	***Dollar Adj***
MBHP	RC I and II	$1,913,191
MCO	RC I and II	$1,155,891
CarePlus	RC IX and X	$341,591

To account for costs associated with providing services to the uninsured and other special populations currently serviced by DMH SE ESPs, the ISA is also scheduled to increase in total dollar amount between DMH and MassHealth.

In order to identify the needed increase in the ISA, dollar amounts were estimated for all services provided by the ESP locations (including MCI services and community crisis stabilization services) across two populations: the uninsured and those deemed as fee-for-service patients (individuals who are insured through non MCO MassHealth service as well as certain individuals who are dually enrolled in both Medicare and Medicaid).

In order to determine the dollar amounts associated with the uninsured population, two separate calculations were completed to estimate costs associated with CCS and non-CCS encounters. Over the previous 12 months, the four SE ESP locations provided services across 504 non-CCS encounters to uninsured individuals. The FFS Medicaid reimbursement level of $488.00 per non-CCS encounter was used to determine the direct costs associated with providing these services: $245,952.

These uninsured encounters represented 4% of total non-CCS encounters. This proportion was then used as a proxy for estimating the total CCS bed days likely associated with the uninsured. The average daily census for CCS across all payers for the previous year within the SE ESP region was 7,161. Four percent of this number equates to an estimated 289 bed days associated with the uninsured. These bed days were then multiplied by the average FFS reimbursement rate of $488 for an estimated future total of $386,746 in yearly CCS bed day expense associated with the uninsured.

The final component of the ISA includes the estimated costs associated with the FFS population currently receiving care through the SE ESP services. Last year this included 3,729 total encounters. Similarly, this total was multiplied by the FFS rate of $488 per encounter for an additional expected expense of $1,819,752.

Both of these populations (uninsured and FFS) were totaled to determine the expected increase in the ISA needed following the privatization: $2,206,498.

Contract Administration

Contract Administration is expected to be immaterial given the number of ESP beneficiaries that will transition away from DMH care into other providers relative to the rest of MassHealth's current population. The actuarial analysis provided by MassHealth indicated that due to this relative marginal increase in services, the administrative fee would not need to materially change within the PMPM payments to its MCEs.

Transition Costs

The third piece of the Contract Performance Costs are the transition costs. These costs are an estimation of the amount that would be spent in order to transition the state-run Emergency Service Programs to privately run facilities. Several factors go into this calculation, including unemployment benefits, retirement benefits, disposal of assets, and other savings or costs.

Unemployment Benefits

In transitioning the ESPs, DMH would be required to lay off all current employees, and in doing so, would be required to provide state-mandated unemployment benefits to all employees. An analysis was performed to determine the full extent of these unemployment costs based on current staff data and determined that DMH would be required to pay $954,158 in unemployment benefits.

The state determines unemployment benefits by calculating the amount an employee received during the past four quarters, selecting the two quarters with the highest earnings, and calculating a weekly wage based on that amount. The amount is then halved and rounded to the nearest dollar to determine the weekly benefit amount an employee can receive through unemployment benefits. However, this amount is capped at a rate of $698/week. This calculation was conducted for each of the four facilities to determine each individual employee's expected weekly unemployment benefit

amount. The maximum number of weeks the state will provide benefits is 30; however, many employees will qualify for less than 30 weeks of unemployment benefits.[11] In addition, it is probable that many of these employees will be employed by the newly privatized facility. As a result of these two assumption factors, 15 weeks is used as the average length of time an employee will receive benefits.

Once this calculation for the total estimated accrued benefits was complete, an adjustment was made to reflect the personnel changes made in the management study including a reduction of 6 FTEs (partial FTEs were not included in the calculation of unemployment benefits). For the positions affected in the management study, an average per FTE benefits amount was calculated and the change was applied to the total estimated accrued benefits.

Lastly, estimations were made as to the number of dependent children that employees of the facility may have, since employees may qualify for an additional $25 per week per dependent child. For this estimation, statewide demographics from November 2014 were used.[12] According to this data, 30.6% of households had a dependent child, and the average family household size was 3.15. The project team took 30.6% of the total number of eligible staff and multiplied that number by 1.15, which is average number of dependent children in a household, assuming two spouses. The overview of this calculation is provided in the table below:

Unemployment Benefit Calculation

Facility Name	**Sum Weekly Expenses**
Brockton	$289,148
Norton	$298,485
Cape & Islands	$171,476
Corrigan	$251,681
Total	**$1,010,792**
Management Study Adj.*	($71,282)
Net Est. Accrued Benefits	$939,510
Additional Benefits	$14,648
Total Unemp. Benefits	**$954,158**

*Management Study Calculation**

Position	**Per FTE Avg Benefit**	**Net FTE Change^**	**Cost Adjustment**
Human Services Coordinator (C)	$9,417.78	(7)	($65,924)
Clinical Social Worker A/B	$9,558.63	(1)	($9,559)
Clinical Social Worker C	$10,265.71	2	$20,531
Registered Nurse II	$10,470.00	(5)	($52,350)
Licensed Practical Nurse II	$7,204.02	5	$36,020
	Totals:	(6)	**($71,282)**

^Rounded down to nearest whole as those < 1 FTE are not eligible for benefits

[11] http://www.mass.gov/lwd/unemployment-insur/basic-ui-information/initial-claim/how-your-benefits-are-determined/calculating-benefit-rate.html

[12] http://www.newtonma.gov/gov/planning/demog/

Several assumptions were made that could potentially affect the final outcome of this calculation. Working with the salary data available, which included the annual salary amount of the employees, weekly wages were estimated off of this salary data and then divided by 50% to determine one-half of the employee's weekly payment. In actuality, the weekly amount is determined using the two highest earning quarters of the employee, so there is some potential for volatility based on this estimation. In addition, only full time employees were considered eligible for this calculation. As the data used to determine full time employees was from a single point in time, this FTE count has the potential to fluctuate.

Retirement Benefits

For the second component of transition costs, retirement benefits, it is assumed that all remaining employees will not be eligible to receive these benefits. It is presumed that those employees who would have been eligible for retirement benefits would have previously left the facility as the Commonwealth recently put forth an early retirement option for eligible employees and thus the cost impact is negligible.

Other Transition Costs

The other transition costs category includes the lease of the Norton ESP site containing clinicians and the Community Crisis Stabilization unit as well as the lease of space for Cape's Community Crisis Stabilization unit. Assuming that DMH acts in good faith in terminating the contracts and provides a 60- day notice in writing, there will be no additional costs incurred for terminating the leases referenced. Also included in this category is $60,000 in transition assistance provided by DMH to the winning bidder to assist with transitioning the program swiftly and effectively.

Gain or Loss on Asset Disposal

There will be no gain or loss on the disposal of assets as there will be no resulting elimination of any large assets or buildings. The Brockton, Fall River, and Pocasset ESP programs are located in state owned buildings that house multiple services. These assets would remain should the ESP program cease to operate in this space. The Fall River CCS is in a DMH-owned residence that will be repurposed for existing community programs if the CCS unit were to close.

Lost Tax Revenue

Both vendors selected through the procurement process are based inside the Commonwealth of Massachusetts. As such, it is assumed for the purposes of this analysis that the State will not lose any tax revenue due to out of state operations.

State Income Tax

Both vendors chosen through the procurement process are classified as IRS 501(c)3 tax-exempt entities and therefore not subject to state income taxes.

Exhibit 23: Commonwealth of Massachusetts Summary of ESP Projected Costs

Dollars		Effective 10/1/15		
Program	**RC**	**ESP**	**CCS**	**Total**
MBHP	RC I	$ 136,819	$ 450,194	$ 587,013
MBHP	RC II	$ 275,382	$ 1,050,797	$ 1,326,179
MBHP	**All**	**$ 412,201**	**$ 1,500,991**	**$ 1,913,192**
MCO	RC I	$ 132,332	$ 279,681	$ 412,013
MCO	RC II	$ 232,026	$ 511,852	$ 743,878
MCO	**All**	**$ 364,358**	**$ 791,533**	**$ 1,155,891**
CarePlus	RC IX	$ 97,725	$ 185,874	$ 283,600
CarePlus	RC X	$ 15,628	$ 42,363	$ 57,991
CarePlus	**All**	**$ 113,353**	**$ 228,238**	**$ 341,591**

PMPM		Effective 10/1/15		
Program	**RC**	**ESP**	**CCS**	**Total**
MBHP	RC I	$ 0.04	$ 0.12	$ 0.15
MBHP	RC II	$ 0.35	$ 1.34	$ 1.69
MBHP	**All**	**$ 0.09**	**$ 0.33**	**$ 0.42**
MCO	RC I	$ 0.11	$ 0.24	$ 0.35
MCO	RC II	$ 1.59	$ 3.51	$ 5.10
MCO	**All**	**$ 0.28**	**$ 0.60**	**$ 0.88**
CarePlus	RC IX	$ 0.16	$ 0.31	$ 0.47
CarePlus	RC X	$ 0.99	$ 2.68	$ 3.67
CarePlus	**All**	**$ 0.18**	**$ 0.37**	**$ 0.55**

Exhibit 24: Commonwealth of Massachusetts Interdepartmental Service Agreement (ISA) Form

MMARS DOCUMENT ID: ISA_DMHJOINTESPEHS16B

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: 2016	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: DMH	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: EHS
BUSINESS MAILING ADDRESS: **25 STANIFORD ST., BOSTON, MA 02114**	BUSINESS MAILING ADDRESS: 1 ASHBURTON PLACE – ROOM 1109; BOSTON, MA 02108
ISA MANAGER: THUY-NHUNG NGUYEN	ISA MANAGER: EMILY SHERWOOD
PHONE: **617-626-8033** FAX: 617-626-8014	PHONE: **617-573-1759** FAX:
E-MAIL ADDRESS: THUY-NHUNG.NGUYEN@STATE.MA.US	E-MAIL ADDRESS: EMILY.SHERWOOD@STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

____ New ISA. Current Maximum Obligation for total duration of ISA $_____ (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

_X_ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- _X_ Amend Budget/Accounts. Change Maximum Obligation from: $ **443,194,063.60** to New Maximum Obligation **$443,694,063.60** (Attachment B)
- ____ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ____ Amend Dates of Performance. New Dates of Service: Start Date: 7/1/04 End Date: 6/30/16 (Subject to execution dates below.)
- _X_ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: FY16 ISA AMENDMENT

DMH is increasing the budget for MCPAP by $500,000 to expand MCPAP for Moms to full operational capacity statewide.

REIMBURSEMENT FOR MASSHEALTH BEHAVIORAL PROGRAM RESPONSIBILITIES PERFORMED BY ITS BEHAVIORAL HEALTH VENDOR (MBHP)

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? _X_ **No** ___ **Yes.** If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

____ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.

_X_ BGCS – subsidiarized (budgetary)

____ Other (CT, RPO as authorized by CTR): _____

____ Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.

____ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ADD__ DELETE _X_ NO CHANGE	Account:50470001	Fund: 0010	Major Program Code:	Program Code:
__ADD__ DELETE _X_ NO CHANGE	Account:50425000	Fund:0010	Major Program Code:	Program Code:
__ADD__ DELETE _X_ NO CHANGE	Account:30002010	Fund:0100	Major Program Code:RTTELC	Program Code:FFY12RTTEL
__ADD__ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on **06/30/2016** unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE: DATE: 10/7/15 (Date must be handwritten by signatory at time of signature)	**SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:** DATE: 10-5-15 (Date must be handwritten by signatory at time of signature)
PRINT NAME: JIM BERGSTROM	PRINT NAME: DANIEL TSAI
PRINT TITLE: DIRECTOR OF ACCOUNTING AND OPERATIONS	PRINT TITLE: ASSISTANT SECRETARY FOR MASSHEALTH

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INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:

   In FY'96 the Commonwealth's Medicaid agency and the Department of Mental Health (DMH) entered into a partnership to develop and implement a single integrated system of publicly funded mental health services. In pursuit of this goal, DMH and the Executive Office of Health and Human Services (EOHHS) (together, the Agencies) are parties to an Interdepartmental Service Agreement (ISA) under which DMH provides funds to EOHHS to pay the MassHealth PCC Plan's Behavioral Health Services Contractor (the Massachusetts Behavioral Health Partnership, or MBHP) for specified responsibilities that MBHP performs on behalf of DMH. MBHP's responsibilities to provide the DMH Specialty Program services set forth in this ISA are described in detail in the MassHealth PCC Plan's Comprehensive Behavioral Health Program and Management Support Services, and Behavioral Health Specialty Programs contract with EOHHS (document # 11LCEHSPCCPLANBHPMSSRFR).

   This is an amended and restated version of the ISA.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:

   A. The Agencies

   DMH is the Commonwealth's mental health authority pursuant to M.G.L. c. 19 and M.G.L. c. 123, et seq. EOHHS is the executive agency within Massachusetts that is the single state agency responsible for the administration of the MassHealth program (Medicaid), pursuant to M.G.L. c. 118E, Titles XIX and XXI of the Social Security Act, and other applicable laws and waivers thereto.

   EOHHS contracts with MBHP to provide care management services, network management services, quality management activities and comprehensive Behavioral Health services for certain MassHealth members. In addition, MBHP provides Emergency Service Programs Services for Uninsured Individuals and persons with Medicare coverage only and administrative oversight of DMH Specialty Programs on behalf of EOHHS and DMH.

   B. Definitions

   Behavioral Health Program (BHP) – a program for the administration, coordination, and delivery of mental health and substance use disorder Covered Services, as defined in Appendix A-1 of the Contract.

   Contract – The MassHealth PCC Plan's Comprehensive Behavioral Health Program and Management Support Services, and Behavioral Health Specialty Programs contract (document # 11LCEHSPCCPLANBHPMSSRFR), entered into by EOHHS and MBHP September 30, 2012, and as amended from time to time.

   Contractor (or **MBHP**) – the Massachusetts Behavioral Health Partnership, the vendor with which EOHHS contracts to perform the responsibilities specified in the Contract.

   DMH Case Management – a service operated by DMH which is performed in accordance with DMH regulations for DMH Clients. DMH Case Management includes those services enumerated in 104 CMR 29.00.

   DMH Clients –for purposes of this ISA, individuals who are eligible for and recipients of DMH Specialty Programs from the Contractor.

   DMH Continuing Care Services – community-based services contracted for or operated by DMH, but which do not include: services of brief duration; outpatient services; or acute mental health services, such as crisis intervention or emergency screening.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

DMH Service Authorization – the process by which a MassHealth member is found to be eligible and approved for a service provided through DMH.

DMH Specialty Programs – programs the Contractor manages on behalf of DMH, including the Emergency Services Program (ESP) for Uninsured Individuals and persons covered by Medicare only, the Massachusetts Child Psychiatry Access Project (MCPAP), and Forensic Evaluations.

Designated Forensic Professional – a physician or psychologist designated by DMH as qualified to perform a clinical assessment of the mental status of a prisoner and provide recommendations to an on-call judge regarding the need for brief psychiatric hospitalization or commitment. See M.G.L. c. 123, § 18(a).

Emergency Service Programs (ESP) Services –the services described in the Contract, Appendix A-1, Part III and delivered by the providers identified in Contract Appendix A-3.

Forensic Evaluation Services – a clinical assessment of the mental status of a prisoner, performed by a physician or psychologist designated by DMH as qualified to perform such examination in accordance with M.G.L. c. 123, § 18(a). Such examination shall including recommendations to an on-call judge regarding the need for brief psychiatric hospitalization or commitment, if so indicated.

Massachusetts Child Psychiatry Access Project (MCPAP) – a DMH project whose primary goals are to improve access to treatment for children with psychiatric problems thereby promoting productive relationships between primary care and child psychiatry and rational utilization of scarce resources and to improve access to treatment for pregnant and postpartum women with depression and other mental health conditions. MCPAP consists of children's mental health consultation teams throughout the state to help primary care practitioners meet the needs of children with psychiatric problems. In addition, three MCPAP for Moms mental health consultation teams provide psychiatric consultation to obstetric and primary care providers to help them manage depression and other mental health concerns of their pregnant and postpartum patients.

Network Provider – an individual, group, facility, agency, institution, organization, or business under contract with MBHP that furnishes or has furnished medical services to DMH Clients.

Pre-Arraignment Protocol (PAP) – a protocol that sets forth a legal-clinical assessment process which allows local police departments to obtain psychiatric hospitalizations, where appropriate, for persons who are arrested but not yet arraigned when the court is closed.

Uninsured Individuals – those individuals who are not MassHealth or CommCare eligible for any reason, and do not have commercial insurance.

C. Agencies' Responsibilities Under the ISA

1. Joint Responsibilities

The Agencies are jointly responsible for:

a. Approving the level and types of Emergency Service Programs to be purchased by the Contractor and the scope of the other DMH Specialty Programs (MCPAP and Forensic Evaluation Services).

b. Working with other state agencies to actively coordinate mental health care, particularly for individuals with dual diagnosis and children.

c. Requiring that the Contractor and each DMH Area Office collaborate to operationalize communication procedures to facilitate continuity of care between BHP services and DMH Continuing Care Services.

d. Meeting regularly with the Contractor regarding the coordination of acute mental health services, and to resolve issues encountered with regard to continuity of care, including DMH eligibility, and to plan future areas of collaboration.

e. Ensuring that regular communication occur between designated EOHHS staff and the Contractor, between EOHHS and DMH, and between DMH and the Contractor. EOHHS, DMH and the Contractor shall each establish channels of communication that ensure that each timely informs the others of all events and circumstances that materially affect service delivery or the management and administration of the Behavioral Health Program. Such channels shall also provide a forum to review and discuss data generated by the Contractor. At a minimum, such communication channels shall include monthly meetings on BHP management.

2. EOHHS Responsibilities

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

EOHHS is responsible for:

a. Procuring a Behavioral Health Contractor with responsibilities that include performing the DMH Specialty Programs.

b. Negotiating and executing the Contract and any amendments thereto, and ensuring that the Contract and all amendments and renewals incorporate the requirements of the DMH Specialty Programs, unless otherwise agreed to by DMH.

c. Paying the Contractor in accordance with the payment provisions of the Contract.

d. Managing and monitoring the Contractor's performance and ensuring the Contractor's satisfactory performance of the DMH Specialty Programs and other DMH-related responsibilities as specified in the Contract. This includes, but is not limited to, requiring the Contractor to:

   1) Require its Network Providers to comply with relevant Massachusetts regulations and DMH policy memorandums, including but not limited to those regulations and policies on informed consent, human rights and restraint and seclusion;

   2) Operate and provide administrative oversight of ESP Services consistent with the policies and procedures, terms and conditions set forth in Contract Section 3.4, and ensure that the ESP providers provide all ESP Services as set forth in Contract Appendix A-1, Part III;

   3) Provide benefit advocacy and coordination for Uninsured Individuals;

   4) Establish a MCPAP Unit to manage the Massachusetts Child Psychiatry Access Project and MCPAP for Moms, perform the MCPAP responsibilities set forth in Contract Section 4.5, and coordinate all MCPAP program activities with DMH;

   5) Provide a system to access Designated Forensic Professionals (DFPs) for Forensic Evaluations conducted as part of a Pre-Arraignment Protocol (PAP) as described in M.G.L. c. 123, § 18(a), and perform the Forensic Evaluation Services responsibilities set forth in Contract Section 4.6;

   6) Require its Network Providers to coordinate Covered Services for DMH Clients with DMH Case Management staff;

   7) Require its Network Providers to include DMH in treatment and discharge planning meetings for DMH Clients and homeless individuals, and ensure that their treatment recommendations are consistent with the DMH Client's service plan;

   8) Assign its staff pharmacist to participate in the DMH drug advisory committee known as the Psychopharmacology Experts Work Group;

   9) Maintain records consistent with current professional standards and all applicable state and federal laws and regulations;

   10) Submit reports to DMH pertaining to DMH Specialty Programs and other DMH-related responsibilities as specified in the Contract or as otherwise specified by DMH; and

   11) Include in its Behavioral Health Quality Management plan activities, measures and performance improvement projects that are specifically relevant to each of the DMH Specialty Programs;

   12) Participate in DMH Quality Management activities when invited, which may include but are not limited to attendance by the Contractor's Network Management staff member or designee at DMH Area quality council meetings and participation on DMH quality improvement teams, as determined necessary by the applicable DMH Area Director.

e. Requiring MBHP to enhance the capacity of the MCPAP to develop and implement strategies to increase the PCPs' capacity to identify and treat behavioral health challenges of pre-school children and their families. DMH shall transfer to EOHHS $67,422 of Race to the Top Early Learning Grant (RTTT-ELC) funds transferred to DMH through an ISA with the Department of Early Education and Care (EEC) to carry out activities described herein over the period of July 1, 2015, to Dec. 31, 2015. EOHHS will ensure that the Contract requires the MCPAP to complete the following activities to the satisfaction of EOHHS and DMH (hereinafter collectively these activities shall be referred to as Race to the Top Activities):

1) Develop and implement strategies to increase PCP capacity to identify and treat behavioral health challenges of pre-school children and their families and track encounters relating to early childhood mental health issues;

2) Develop capacity of MCPAP Hubs to provide technical assistance to the participating PPC practices and community-based behavioral health agencies regarding Triple P Positive Parenting Program.

3) Oversee and coordinate Triple P follow-up coaching for the clinicians that completed the two trainings provided in FY15.

4) Develop strategies to refer families for Triple P and report on their participation in the PCP practices and community-based behavioral health agencies where clinicians have been trained and accredited.

5) Complete evaluation report of the implementation of Triple P by the PPCs and the community-based behavioral health agencies.

6) Identify and implement strategies for increasing awareness and access to behavioral health referral resources for pre-school children and their families within all geographic regions. Establish a Race to the Top Unit that includes staffing to manage and oversee Race to the Top Activities.

7) Develop and implement additional staffing requirements to sufficiently support the Race to the Top Activities:

8) Collaborate with and coordinate all Race To the Top Activities with DMH including regularly scheduled reporting and attendance at meetings to discuss progress and challenges in implementing the Activities.

f. Requiring MBHP to fund additional ESP activities for a total FY16 cost of $1,403,388, as indicated in the full budget, **Attachment B**. The purpose of these funds is to enhance ESP safety and capacity through increased personnel and other appropriate mechanisms. In its Contract with MBHP, EOHHS will ensure that MBHP shares with DMH the results of its monitoring and evaluation activities in the monthly MBHP/DMH Programmatic Meetings that occur every month. Corrective action plans and revised or new ESP enhancement plans will be addressed in these meetings. Decisions regarding the disposition of any unspent resources associated with the DMH-funded expansion of ESP services will be made in this forum as well.

g. Requiring MBHP to use the increased FY16 state appropriation for MCPAP of $500,000 to fully staff the three regional MCPAP for Moms mental health consultation hubs to adequately meet the statewide demand for psychiatric consultation and care coordination by providers serving pregnant and postpartum women with depression and other mental health problems. As a part of this capacity building, MCPAP for Moms is also responsible for supporting new community-based postpartum depression support coalitions throughout the state.

h. Coordinating all activities with the Contractor and DMH; provided, however, that EOHHS shall ensure that DMH has direct contact with the Contractor for the purposes of allowing DMH to carry out its responsibilities (joint and separate).

i. All federal reporting and activities involving federal financial participation.

3. DMH Responsibilities

DMH is responsible for:

a. Obtaining input from DMH Area Directors, boards and other community advisory groups regarding proposed and existing Network Providers, and for conveying this input to EOHHS and the Contractor for consideration by all in approving and managing Network Providers.

b. Providing EOHHS with eligibility criteria, applicable clinical assessment criteria, and clinical protocols for DMH Continuing Care Services.

c. Transferring funds to EOHHS for EOHHS to pay the Contractor for the performance of its responsibilities as specified this ISA and described in detail in the Contract.

D. Payment Provisions

DMH shall provide funds to EOHHS as set forth in **Section 2.C.2** above, and in **Attachment B**.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:

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Payments and reports shall be made as required by Sections 2.D and 7 and services shall be provided as set forth in Section 2.C.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:

   This ISA facilitates the provision of the described services through the EOHHS behavioral health vendor. See ISA **Section 6**, below.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? X No Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors). N/A

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)

   These services can most efficiently and effectively be provided through MBHP which is the Behavioral Health vendor under contract with EOHHS to provide Behavioral Health Services to MassHealth members. The Contract, entitled "The Massachusetts PCC Plan's Comprehensive Behavioral Health Program and Management Support Services, and Behavioral Health Specialty Program," was entered into on September 30, 2012, and is amended from time to time.

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)

   N/A

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):

   EOHHS shall provide DMH with the following documents and data a timely manner in the format agreed upon by the parties:

   1. Copies of the Contract, Contract amendments, Contract renewals, Contract evaluations, and corrective actions upon execution. EOHHS shall also provide copies of any notice of termination or non-renewal of the Contract;
   2. Copies of all reports EOHHS has developed regarding acute mental health services;
   3. Such ad hoc reports regarding services the Contractor provides as described in the Contract as DMH determines it needs in its role as the state's mental health authority; and
   4. The results of any BHP consumer satisfaction surveys that may be conducted.

   The Contractor shall submit reports to DMH pertaining to DMH Specialty Programs and other DMH-related Contractor responsibilities, as specified in the Contract or as otherwise specified by DMH.

   For MCPAP for Moms, EOHHS agrees to ensure that MBHP will provide quarterly reports to EOHHS and DMH 20 days after the closing of each quarter describing program accomplishments in the following areas:

   - Operations of MCPAP for Moms regional hub teams including enumeration and description of provider encounters.
   - Implementation of provider trainings using the provider toolkit (i.e., number of trainings conducted, number of providers trained, etc.)
   - Dissemination of information on perinatal mental health community resources including support groups, mental health care, and other resources to support the wellness and mental health of pregnant and postpartum women
   - Provider enrollment with MCPAP for Moms hubs
   - Evaluation of program implementation including results from encounter forms and other tools that assess the process and outcomes of implementing the MCPAP for Moms expansion

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For the Race to the Top Early Learning Grant (RTT-ELC) described in ISA **Section 2.C.2.f**, above, DMH will be responsible for developing the programmatic and fiscal reporting specifications for Race to the Top activities. MBHP will be responsible for generating and submitting these reports on a quarterly basis to DMH the following:

- Programmatic: PCP survey results, implementation of Triple P trainings and follow up coaching to practices and behavioral health agencies, types of technical assistance provided by MCPAP to PCPs relating to early childhood mental, and number of families participating in Triple P program; and
- Fiscal: funds spent by quarter and by grant activity.

In addition regarding the Race to the Top Learning Grant, EOHHS agrees that MBHP will provide EEC with monthly reports summarizing the guidance and oversight provided to the PCPs and the community-based behavioral agencies participating in Triple P, using a template developed by DMH in consultation with EEC.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

A. Regulatory Compliance

All activities of the Contractor, EOHHS and DMH, and any activities or services of subcontracts that may be entered into as a result of this ISA shall meet all applicable state and federal reporting and participation requirements.

B. ISA Disputes

Disputes over scope of authority and policy and management decisions regarding the ISA shall be addressed and resolved by the respective Commissioners.

C. BHP Contract Negotiations/Termination

EOHHS shall consult with DMH during any Contract negotiations (including amendments and renewals) related to the provision of services to DMH Clients and DMH Specialty Services. EOHHS shall notify DMH prior to the renewal, amendment or termination of the Contract. Unless otherwise agreed to by DMH, EOHHS shall not terminate the Contract without giving DMH at a minimum the same written notice it is required to give the Contractor.

D. EOHHS Plans for Financing If Changes in Legislation Occur

If there are any material changes to federal Medicaid or financing laws, EOHHS may, after consultation with DMH and EOHHS, change the Contract relative to pursuing Medicaid eligibility and Medicaid billings. EOHHS shall also prepare a plan for submission to and review by DMH outlining the implication of these changes for BHP financing and for the financing of DMH Continuing Care Services by DMH.

E. Amendment

The parties may agree from time to time to modify certain of the ISA's terms.

F. ISA Termination

Either party may terminate this Agreement upon 30 days' written notice to the other party.

G. ISA Officers

EOHHS designates _ Emily Sherwood ____ who shall be authorized to manage this ISA on behalf of EOHHS. Any change in this designation shall be reported to DMH in writing.

DMH designates __Jim Bergstrom_____ who shall be authorized to manage this ISA on behalf of DMH. Any change in this designation shall be reported to EOHHS in writing.

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ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

X ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $431,104,253.60

PRIOR MMARS DOCUMENT ID: ISADMHJOINTESPEHS15B (for reference - if applicable)

CURRENT DOC ID: **ISADMHJOINTESPEHS16A**

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A	B	C	D	E	F	G	H	I
Budget Fiscal Year	**Seller/Child Account**	**Object Class**	**Description**	**Initial ISA Amount / or Amount Prior to Amendment**	**Indicate Add or Reduce +/-**	**Amendment Amount**	**Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds**	**New Amount After Amendment**
2016	5047-0001	RR	ESP Service	$ 6,700,000.00				
2016	5047-0001	RR	ESP Expansion	$ 1,403,388.00				
2016	5047-0001	RR	Administration of DMH Specialty Programs	$ 609,000.00				
2016	5047-0001	RR	Forensic Evaluation (known as 18(a))	$ 210,000.00				
2016	5042-5000	RR	Psychiatric Access	$ 3,100,000.00	+	$500,000		$3,600,000
2016	3000-2010	RR	Develop and implement strategies to treat preschool behavioral health challenges	$ 67,422.00				
			TOTAL	**$12,089,810.00**				$12,589,810.00

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: 1998-2013 SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$ 386,722,272.60
FISCAL YEAR: 2014 SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$ 21,808,413.00
FISCAL YEAR: 2015 SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$ 22,573,568.00
FISCAL YEAR: 2016 SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$ 12,589,810.00
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	**$ 443,694,063.60**

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____ NEW ISA _x_ ISA AMENDMENT	BUDGET FISCAL YEAR: 2015
BUYER/PARENT DEPARTMENT: DMH	SELLER/CHILD DEPARTMENT: EHS
CTR ONLY - REVENUE BUREAU WILL ASSIGN	
Revenue Budget	Revenue Source
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW	
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)	
Appropriation Number: 3000-2010	Payroll Indicator : __x__Yes ___No
Budgetary Estimated Receipts $67,422.00	BGCN Document Identification No.: ISADMHJOINTESPEHS16A
COST ACCOUNTING STRUCTURE (BGRG- BQ88)	
Total Maximum Obligation of ISA: $67,422.00	BGRG Document Identification No.: ISADMHJOINTESPEHS16A
MAJOR PROGRAM TABLE SET-UP	
Major Program (6 chars. or less): RTTELC	Major Program Short Name (same as appropriation number): 30002010
Major Program Name:	
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD	
Effective From Date: 7/1/15	Effective To Date: 12/31/15
Program Period:	
Program Period Name:	Program Period Short Name:
PROGRAM TABLE SET-UP	
Effective From Date:	Effective To Date:
Program Name:	Program Short Name:
Program Code: **(MUST START WITH "F" followed by up to 9 characters)** **FFY12RTTEL**	Sub Account: S412A120017

FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	**X D**
ECHO:	VC7000000002	**___E**
LOCES:	VC7000000003	**___L**
SMARTLINK:	VC7000000004	**___S**
ASAP- OTHER:	VC7000000005	**___Y**
ASAP:	VC7000000006	**___Z**
GRANT- NON DRAW:	VC7000000007	**___No Code**

FUNDING IDENTIFICATION	
Federal Catalog Agency: (2 digit code) **84**	Federal Catalog Suffix: (3 digit code) **412**
Letter of Credit No.: 086194854	

Authorized Signatory Seller/Child Department: _____ Date:_____ Name: