

WARREN PARTIAL HOSPITALIZATION PURCHASE OF SERVICE AGREEMENT

This AGREEMENT is made this ____ day of _____, 2010, between the Warren County School District, whose principal place of business is at 185 Hospital Drive, Warren, PA 16365, hereinafter referred to as the "District" and the Children's Center for Treatment and Education d/b/a Beacon Light Behavioral Health Systems, whose principal place of business is 800 East Main Street, Bradford, PA 16701 hereinafter referred to as the "Service Provider" and shall be in force and effect from July 1, 2010 and will conclude June 30, 2011.

WHEREAS, the Service Provider, is certified and approved by the Pennsylvania Department of Public Welfare to provide child welfare services for children and youth, is licensed (Lisc. No. 461140) to provide Partial Hospitalization services and is desirous of making such services available to the District: and

WHEREAS, the Parties previously entered into a contract whereby the Service Provider provided Partial Hospitalization services to students of the District, which contract expired June 30, 2010, and which contract the Parties wish to renew for an additional one (1) year term upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties, intending to be bound hereby, it is mutually understood and agreed as follows:

I. General Provisions

- A. This Agreement is subject to all applicable provisions of State and Federal laws and regulations related to the provision, delivery and funding of child welfare and education services to children and youth.
- B. The Service Provider; for and in consideration of the compensation hereinafter set forth, agrees to provide Partial Hospitalization services, as set forth in Attachment A - Program Description pursuant to Chapter 5210, to children and youth referred to it by the District and accepted by the Service Provider pursuant to a mutually agreed upon Individualized Education Plan (IEP). As used in this Agreement, the term "IEP" or "Individualized Education Plan" shall refer to, and include, any applicable IEP and/or GIEP (Gifted Individualized Education Plan).

II. Intake Process

- A. Upon referral of a student, the District shall provide the Service Provider with an Individualized Education Plan, Evaluation Report, and a medical history as a minimum and, where available, related school information, psychological and psychiatric evaluations.
- B. The Service Provider shall cooperate with the District in arranging a pre-placement conference with the students and their parent or guardians. The participants may include, but not be limited to, the child, parent or guardian, and District staff, county caseworker or probation officer.

- C. When the Service Provider agrees to accept the student into the program, the District shall provide the Service Provider with the student's books and student network access for academic purposes, prior to or upon the date of placement, or as soon as the information is available.
- D. The Service Provider will request, in writing, any necessary information about the child and his/her parent or guardians that has not been received from the District within fourteen (14) calendar days following placement of the child. A copy of the request will be kept in the child's record.
- E. When a student's eligibility for the program has not yet been determined, the District shall have the right, in accordance with applicable laws and regulations, to temporarily place a student and request that the student be evaluated for appropriateness of continued placement. The Service Provider will schedule the student for the first available appointment for purposes of evaluation. Placement decisions regarding continued placement will be made based upon the results of the evaluation.

III. Service Planning

- A. The Service Provider, the District and at the District's request, other persons such as IEP team members shall collaboratively develop an individual service plan to determine responsibilities and define services to be provided by the Service Provider. A signed consent of the child, if age fourteen (14) or older, or the parent or guardian(s) for the child if younger than the age of fourteen (14) is required for District staff and other person to participate in the development and review of the treatment plan. The Service Provider will not provide services to client who is unwilling to consent to the participation of District staff.
- B. The Service Provider shall develop a treatment plan, consistent with the requirements of the regulations promulgated by the Pennsylvania Department of Public Welfare within five days of the date of placement. The child, parent or guardian, a psychiatrist, and District staff shall be given the opportunity to participate in the development of the plan and shall ensure that the objectives set forth in the plan are consistent with the goals for the student to return to the appropriate education setting. Other persons may participate in the development of the plan as deemed appropriate.
- C. The treatment plan will be reviewed and modified by the treatment team and psychiatrist, at a minimum, once every 20 days of service.
- D. The Service Provider agrees to provide reasonable advance notice to the District of the holding of a treatment plan review so as to enable the District to make staff available for attendance at that treatment plan review.

IV. Services

Partial Hospitalization is a program model that focuses on the mental health needs of children and adolescents. The purpose of the program is to provide clinical intervention services to the young person as an alternative to inpatient care or as a more intensive treatment program than is afforded by outpatient settings. Partial Hospitalization is a community-based alternative to out-

of-home placement for many young people. The program is Medical Assistance funded and licensed by the Pennsylvania Department of Public Welfare (DPW).

The Service Provider will maintain as part of its regular staff, two teachers certified under the requirements of the Commonwealth of Pennsylvania's Department of Education. One teacher will be certified in special education. Information regarding the student's instructional requirements will be communicated between the Service Provider teacher and District Special Education Staff. The teacher will provide instruction to the students enrolled in the program consistent with the IEP's or service plans provided by the District (with input from the Service Provider) with respect to each child. In addition, the District and Service Provider will mutually agree upon a procedure to ensure that accurate documentation is being completed on educational reviews of IEP goals and objectives. The Service Provider agrees to complete academic progress reports and report cards utilizing District forms on the schedule required by the District. Additionally, the District reserves the right to utilize space at the Service Provider's location to administer District-wide or Statewide assessments of students' performance. The Parties agree that the Service Provider shall be responsible for ensuring that the requirements of a student's IEP, as established by the District with input from the Service Provider, are met in all respects and ~~that all~~ will assist the district in assuring that students are provided with a free and appropriate public education.

Attachment "A" outlines the delivery of Partial Hospitalization services licensed for 25 (twenty five) clients from Warren and surrounding communities. The Service Provider will establish its facility at a location to be mutually agreed upon by the Parties, which will provide access to handicapped students. In addition, the Parties agree that said location shall contain space adequate for the provision of related services by the District, including items such as occupational therapy, physical therapy or speech and language services. The program offered will be consistent with the regulations of a Partial Hospitalization Program licensed by the DPW's Office of Mental Health and Substance Abuse Services. The program will be operated a minimum of 180 days a year following the District calendar.

V. Reports

The Service Provider shall submit to the District and parents, quarterly progress reports pertaining to the Individualized Education Plan, or in such other format as the District shall request. Parents or guardians, for children under fourteen (14) years of age, will be given treatment plan updates for review and authorization. With a signed consent to release information, parents or guardians of adolescents age fourteen (14) years and older will be given treatment plan updates.

The Service Provider will release treatment plans, discharge summaries and other written reports as shall be requested by the District or family in accordance with Pennsylvania DPW's regulations on confidentiality.

VI. Transportation

The Sending District shall be responsible for all student transportation in fulfilling the terms of this contract.

VII. Lunches

The District shall be responsible for providing USDA approved lunches to the program. The Service Provider will be responsible for assisting the District with qualifying students for the National School Lunch Program and obtaining requested documentation.

VIII. Attendance

The Service Provider will maintain daily attendance records on all students and provide copies of attendance reports to the District.

IX. Discharge

Except in cases involving an emergency (as this term is defined below) or a client/family discharge request, a child shall only be discharged from the program after the occurrence of the following events and upon the mutual consent of the Parties. The Service Provider must give notice of consideration of the discharge of the child in writing to the District Director of Special Education. Following said notice, such discharge shall be discussed at the treatment plan review held pursuant to Article III (C) above or at a joint meeting between the Parties scheduled specially for that purpose. Thereafter, the discharge shall not occur until the subsequent treatment plan review held twenty (20) days of service following the treatment plan meeting at which the discharge was first discussed, or until ten (10) school days following any joint meeting of the Parties held specially for the purpose of discussing such discharge. If a planned discharge is the result of a failure on the part of the child's parent or the agency having legal custody of the child, or the child to abide by the terms of the Individual Service Plan and treatment plans, the Agency will notify all parties in writing of the termination decision, including a termination date which will be twenty (20) business days from the date of notification. The notification will explain the reason for discharge and indicate any recourse available under the client grievance procedure.

The preceding provisions notwithstanding, a student may be discharged immediately upon an emergency. An emergency for purposes of this provision is defined as a situation, which endangers the physical safety of the child or others. In the event of an immediate discharge due to an emergency, the District Director of Special Education shall be notified in writing prior to the discharge, with said writing specifying the nature of the emergency that resulted in discharge and who will take physical custody of the student following the discharge. Consistent with the regulations of the OMHSAS, a client or his/her family may also request a discharge from the Partial Hospitalization Program. If such a request is made and said request leads to a discharge, the District Director of Special Education shall be notified, by telephone, immediately of the parent/child's intent to withdraw from services. Additionally, the program staff will notify, by telephone, the assigned Special Education Supervisor. In the event that a client age fourteen (14) or older voluntarily withdraws from the program, the program staff will ensure that the primary custodian/guardian is notified of the client's intent and will make arrangement to ensure the custodian/guardian assumes physical custody of the student. In the event that a client leaves the program without staff or parent/guardian permission, the program staff will immediately notify the client's parent/guardian, law enforcement and Director of Special Education.

X. Payments

- A. The District, in consideration of the services provided by the Service Provider under this Agreement, shall pay the Service Provider \$257,000 for the school year, for 25 slots in this program. This payment will consist of 9 monthly installments beginning in September 2010 and concluding in May 2011. Each monthly installment will total \$28,556. The Service Provider will render billing statements to the appropriate District department on first of the month preceding services and the district will, in turn, issue payment no later than 30 days later. A Budget for services agreed upon by the District and Service Provider are listed in Attachment B - Budget (if Attachment B is revised by mutual agreement it will be evidenced by the authorized signature and date of both parts).
- B. In order for the allowance of Medical Assistance billing (and associated funding with the applicable Managed Care Organization) which is required in order to bill for therapeutic services, it is imperative that the students referred to the program be enrolled in PA Medical Assistance, and/or carry other third party insurance coverage. In the event that these students (whose IEP does not call out for therapeutic services) does not have MA, or other insurance coverage from which to provide for the cost of care, within 45 days of enrollment, the student's parent or legal guardian will be billed an hourly rate of \$15.00, which is the therapeutic rate reimbursed by MA and by the Managed Care Organization. Each parent or guardian of these students will be required to acknowledge and sign off on this obligation (on a patient liability form) prior to enrollment.
- C. In the event that the District chooses to allow the inclusion of students from districts other than their own, District shall continue to be responsible for the full payment of services to the Provider. The District shall determine the amount to be charged to such other districts for services rendered, however, the Service Provider shall lend the District reasonable assistance, as may be requested, to help formulate such charges. Except as set forth below, the effort to recover cost of services from the non-host district shall be the responsibility of District.

XI. Confidentiality

The Service Provider and the District, their agents and employees shall perform their respective obligations under this Agreement in such a manner as to ensure that records, names and identities of persons counseled, treated or rehabilitated shall remain confidential, except as disclosure is permitted by law or as required for fulfillment of the terms of this Agreement. In addition, the Service Provider will be bound and follow the same rules of confidentiality and protection from disclosure of educational records as governs the District, including the Family Educational Right to Privacy Act, the Protection of Pupil Rights Amendment, the Health Insurance Portability and Accountability Act as well as the provisions of Chapter 12 of the State Board of Education Regulations. The Service Provider further agrees to deliver to the District every document, computer disc, software program or records, diary, memorandum in any form whatsoever that may contain confidential education related information upon termination of this Agreement and shall shred or destroy the paper copy of any education related records. The Service Provider is bound by the Health Insurance Portability and Accountability Act with regards to health related/therapeutic records that it maintains.

XII. Non-discrimination Clause

In carrying out the terms of this Agreement, both Parties agree not to discriminate against any employee or client or other person with regard to age, race, color, sex, religious creed, national origin, marital status or disability. The Service Provider and the District shall comply with the Contract Compliance Regulations of the Pennsylvania Human Relations Commission, any pertinent Executive Order of the Governor and with all laws prohibiting discrimination in hiring or employment opportunities and the provision of child welfare services.

XIII. Insurance -

The Service Provider shall, at its sole cost and expense, procure and maintain, so long as this Agreement is in effect, insurance covering the performance of the services rendered by Service Provider under this Agreement in accordance with the limits specified below.

In addition to the insurance coverage and limits specified herein, the Service Provider shall obtain any other insurance coverage as may be required by law.

A. General Liability Insurance

1. Limits of Liability: \$1,000,000 per occurrence, \$3,000,000 aggregate
2. Coverage: Premises operations, blanket contractual liability, personal injury liability (employee exclusion deleted), products and completed operations, independent contractors, employees and volunteers as additional insured, joint liability and broad form property damage (including completed operations).

B. Workers' Compensation and Employers' Liability Insurance

1. Limits of Liability: Workers' Compensation -Statutory Limits.
Employers' Liability: Statutory Limits.
2. Other States' coverage and Pennsylvania endorsement.

C. Automobile Liability

1. Limit of Liability: \$1,000,000 per person, \$3,000,000 per accident
2. Coverage: Owner, non-owned and hire vehicles.

D. Professional Liability Insurance

1. Limit of Liability: \$1,000,000 per occurrence, \$3,000,000 aggregate
2. Coverage for occurrences happening during the performance of services required under this Agreement shall be maintained in full force and effect under the policy. The policy shall include tail coverage for up to a two-year period of exposure.

All insurance provided for in this section shall be obtained under valid and enforceable policies issued by insurers of recognized responsibility that are licensed to do business in the Commonwealth of Pennsylvania. The District prefers that Certificates of Insurance evidencing

the existence of such insurance shall be submitted to the District at least ten (10) calendar days before work begins. If the term of this contract coincides with the term of the Service Provider's insurance coverage, a certificate from the expiring policy will be accepted, but a certificate evidencing renewed coverage or a new policy must be presented to the District no later than thirty (30) days after the effective date of the policy.

Each policy and Certificate of Insurance shall contain an endorsement naming the District as an additional insured party there-under and a provision that at least thirty (30) calendar days prior written notice be given to the District in the event coverage is canceled or non-renewed or limits of coverage is reduced. Failure to maintain insurance coverage or failure to comply fully with the insurance provisions shall in no way act to relieve the Service Provider from the obligations of this Agreement, any provisions hereof to the contrary notwithstanding. All insurance policies required of the Service Provider under the terms of this Agreement shall contain provisions that underwriters shall have no rights of recovery or subrogation against District, its agents, directors, officers, or employees, it being the intention of the Parties that the insurance so effected shall protect all such Parties and that said insurance shall be primarily liable for any and all losses covered by the described insurance.

If the Service Provider desires to self insure any or all of the coverages listed in this section, it shall provide to the District documentation that such self insurance has received all the approvals required by law or regulation, as well as the most recent audited financial statement of the Service Provider's insurance. Such self-insurance will not be regarded as adequate hereunder until such self-insurance shall receive the approval of the District. Such approval will not be unreasonably withheld provided that the Service Provider gives evidence of satisfactory financial resources to support the self-insurance status. Any coverage which is self insured shall provide the same coverage, limits and benefits and shall be subject to the same requirements as the coverages listed in this section.

E. Subcontractors

The Service Provider shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated in this Agreement.

XIV. Relationship of Parties

The Parties agree that they conduct completely separate businesses and affairs, are separate entities, are not partners or joint venturers in any sense whatsoever. The Parties further agree that Service Provider and all persons assigned by Service Provider to perform Service Provider's obligations in accordance with this Agreement are independent contractors and not employees, agents or representatives of the District.

XV. Hold Harmless Provision - Indemnification

- A. Service Provider agrees to assume, and shall assume, all risk and responsibilities for losses of every description in connection with the service that can be attributed either directly or indirectly to the Service Provider. The Service Provider agrees to indemnify, defend and hold harmless the District, its directors, officers, agents and employees for, or on account of any damage or loss, including the District's cost of litigation and attorneys' fees resulting

from the actions, or inactions, of the Service Provider, or a subcontractor of the Service Provider, in fulfilling the terms and obligations of this Agreement. The Parties agree that the terms of this provision, and Services Provider's obligations imposed by this provision, shall survive the termination of this Agreement and shall cover all claims, regardless of when a claim is asserted.

- B. The Service Provider hereto shall not be held responsible for delay or failure to perform hereunder when such delay or failure is due to fire, flood, epidemic, strike, acts of God or the public enemy, unusually severe weather, legal acts of the public authorities, or delay or default which cannot reasonably be foreseen or provided against.

XVI. Pennsylvania Department of Public Welfare Licensure

The Service Provider shall notify the District, in writing, within five working days of any loss of its Pennsylvania Department of Public Welfare Licensure for any of the services being provided to the District.

XVII. Clearances

Service Provider shall comply with, and provide the District proof of compliance with, the Act 34 requirements (relating to criminal background checks) and Act 151 requirements (relating to child abuse history clearances) for all Service Provider employees or agents that will have direct contact with students of the District. Service Provider shall not permit any employee or agent of Service Provider to have direct contact with any student of the District until said clearances have been provided to the District.

XVIII. Assignment

Neither this Agreement, nor any of Service Provider's rights or obligations hereunder, may be assigned to any other party without the prior written consent of the District.

XIX. Compliance with Law

In the carrying out of their respective duties hereunder, the Parties agree to comply with all federal, state, and local laws, rules and regulations.

XX. Cooperative Efforts

The Parties recognize that many, if not all, of the students served by the Service Provider will be students enjoying services or programs delivered by the District pursuant to individualized education plans, Chapter 15 service plans or similar documents. In recognition of that fact, the Service Provider agrees to utilize its best efforts to develop a treatment plan consistent with the needs, strengths, goals and objectives identified for a particular student in that student's individualized education plan, Chapter 15 plan and the like. Additionally, as requested by the District, the Service Provider agrees to make its staff available to participate in evaluations, IEP meetings, hearings and similar sessions or meetings participated in by the District to evaluate, make educational decisions for or otherwise meet the needs of students served mutually by the District and Service Provider.

XXI. Termination

If either party violates any of the covenants or conditions of this Agreement, the party injured thereby shall thereupon have the right to terminate this Agreement by giving at least thirty (30) days written notice of said termination and specifying the effective date of said termination.

All contractual matters relating to the provision of the service by the Service Provider shall, upon termination by either party, be settled within thirty (30) days of the date of termination by the rendering of a bill marked "final bill" by the Service Provider to the District. In settling the contractual matters, the Parties agree that the \$257,000 payment amount contained in Section X of this Agreement shall be pro-rated, with Service Provider being entitled to compensation for only those services that were provided prior to the date of termination and in compliance with the terms and conditions of this Agreement.

XXII. Entire Agreement/Modification

This Agreement embodies the entire understanding between the Parties and supersedes any other prior or contemporaneous oral or written proposal, representation or agreement relating to the subject matters hereof. No change, alteration or modification to this Agreement may be made except in a writing signed by the Parties hereto.

XXIII. Savings Clause

If any paragraph or term of this Agreement is deemed to be unlawful, invalid, or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall remain binding on the Parties hereto.

IN WITNESS WHEREOF, the duly authorized officers of the Parties hereby set their hands and seals, causing this Agreement to be executed and legally binding.

Service Provider:

Children's Center for Treatment and Education
d/b/a Beacon Light Behavioral Health Systems
800 East Main Street
Bradford, PA 16701

By:

Richard Seager
President/CEO

Attest:

WARREN COUNTY SCHOOL DISTRICT

Board Secretary

President, Board of School Directors

ATTACHMENT A – Budgeted Costs

**Beacon Light Behavioral health Systems
ITP Warren 2010-11 Operating Budget**

description	budget
Salaries	256,326
Holiday & Overtime	384
Hospitalization	42,314
Retirement	7,752
Disability Insurance	1,671
FICA Payable	19,638
PA Unemployment Comp	1,925
Workmen's Compensation	11,303
Medical Fees (Employees)	600
Psychiatric Services	79,200
Audit Service	350
Food	2,000
Office Supplies	2,500
Computer Service	1,000
Xerox Machine Monthly	2,200
School Supplies	450
Telephone	2,460
Data Communications (NEW ACCT#)	2,310
Postage	600
Electric	3,755
Natural Gas	3,144
Water	2,474
Fire & Safety	210
Building Maint.	2,500
Garbage Collection	768
Grounds Maint	1,500
Equip. Rep. & Maint	1,500
Taxes	6,288
Gas & Oil	1,500
Staff Mileage	1,144
Meeting Expense	50
Travel	250
Treatment	200
Holiday & Anniversary	125
Affiliate Lease Rental	6,372
Organization Dues	122
Staff Development	500
Recruitment: Administration	1,500
Depreciation	238
Interest	5,777
Management Fees/Admin	57,510
Management Fees/Admin.	13,570
Unallowable Admin. Expense	5,366
Bad Debt Expense	10,702
Total Operating Budget 2010-11	\$ 562,051

	Revenue	
Third Party Coverage for Therapeutic Services	\$	305,051
Warren School District Funding	\$	257,000
	\$	-