

**Michigan Department of Health and Human Services
Bureau of Grants and Purchasing (BGP)
PO Box 30037, Lansing, MI 48909
Or
235 S. Grand Avenue, Suite 1201, Lansing, MI 48933**

**CONTRACT NUMBER: MA xxx
Between
MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
And**

CONTRACTOR		PRIMARY CONTACT	EMAIL
xxx		xxx	xxx
CONTRACTOR ADDRESS			TELEPHONE
xxx			- -
STATE CONTACT	NAME	TELEPHONE	EMAIL
Contract Administrator	xxx	- -	xxx@Michigan.gov
BGP Analyst	xxx	- -	xxx@Michigan.gov

CONTRACT SUMMARY			
SERVICE DESCRIPTION	Residential Foster Care Short Term Assessment (RFCST)		
GEOGRAPHIC AREA	Statewide		
INITIAL TERM	EFFECTIVE DATE*	EXPIRATION DATE	AVAILABLE OPTION YEARS
3 years	October 1, 2018	September 30, 2021	2
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION	\$xxx		
CONTRACT TYPE	Per Diem		

*The effective date of the contract shall be the date listed in the "Effective Date" box above, or the date of Michigan Department of Health and Human Services (MDHHS) signature below, whichever is later.

The undersigned have the lawful authority to bind the Contractor and MDHHS to the terms set forth in this Contract. Section 291 of the fiscal year 2016 Omnibus Budget, PA 84 of 2015, requires verification that all new employees of the Contractor and all new employees of any approved subcontractor, working under this Contract, are legally present to work in the United States. The Contractor shall perform this verification using the E-verify system (<http://www.uscis.gov/portal/site/uscis>). The Contractor's signature on this Contract is the Contractor's certification that verification has and will be performed. The Contractor's signature also certifies that the Contractor is not an Iran linked business as defined in MCL 129.312.

FOR THE CONTRACTOR:

FOR THE STATE:

XX

MICHIGAN DEPARTMENT OF HEALTH AND
HUMAN SERVICES

Contractor

Signature of Director or Authorized Designee

Print Name

Date

Signature of Director or Authorized Designee

Print Name

Date

Contract Number: MA xxx

Anticipated Total Contract Value: \$XX

This Contract will be in effect from the date of MDHHS signature through September 30, 2021. No service will be provided and no costs to the state will be incurred before xxx, or the effective date of the Contract, whichever is later. Throughout this Contract, the date of MDHHS signature or xxx, whichever is later, shall be referred to as the begin date.

At the discretion of MDHHS this Contract may be renewed by an amendment not less than 30 days before its expiration. This Contract may be renewed for up to two additional one-year periods.

1. PROGRAM REQUIREMENTS

1.1. Client Eligibility Criteria

a. Eligible Children

Services provided by the Contractor under this Contract are limited to those children and families for whom MDHHS can legally provide care and services and for whom MDHHS makes a State payment.

County child-care funded children referred to MDHHS for care and supervision by probate court but for whom MDHHS may have no legal responsibility to make a payment are also eligible children.

b. Determination of Eligibility

MDHHS shall determine the children and families' eligibility and document this in the Michigan Statewide Automated Child Welfare Information System (MiSACWIS).

1.2. Referrals

Referrals for youth from Genesee, Macomb, Oakland and Wayne counties will be made through the Regional Placement Unit (RPU). The referring primary caseworker/agency or RPU shall provide to the Contractor referral material which complies with this Contract.

a. At the time of referral, the referring primary caseworker/agency or RPU shall provide the Contractor with a referral packet, which shall include:

- 1) A copy of the commitment order or placement and care order from the court, or appropriate documentation of authorization from the local law enforcement agency.

MDHHS shall not refer a child for placement prior to a fully executed Individual Service Contract (DHS 3600). In event of an emergency placement, the DHS-3600 shall be fully executed no later than the first working day following placement.

- 2) A copy of the Case Service Plan (DHS-441) and DHS-69 from prior placement(s) if applicable. If any of these documents are incomplete at placement, the completed materials must be forwarded to the Contractor within 10 business days of the child's placement.
 - 3) A MiHealth card or the Medicaid recipient identification number, if the child is active for Medicaid and the MiHealth card is not available. If the child is to be enrolled in Medicaid, MDHHS shall provide a copy of the Medicaid recipient ID number to the Contractor as soon as it is issued or the status of the Medicaid ID number application.
 - 4) Educational reports, when available.
 - 5) Copies of current Psychotropic Medication Informed Consent (DHS-1643) for current prescriptions. (See FOM 802-1, Psychotropic Medication in Foster Care). The referring MDHHS/PAFC caseworker shall coordinate with the attending medical provider to ensure the child has a minimum of a 14-day supply of prescribed medications AND a prescription for all current medications, OR a 30-day supply of all medications.
 - 6) Child's behavioral history including incidences of aggression, prior hospitalizations, etc.
 - 7) Child's placement history.
 - 8) Treatment plans from prior residential placements.
- b. Within 10 business days of a child's placement, the referring caseworker/agency or RPU shall provide the following:
- 1) A photocopy of the birth verification, or copy of the request for verification. MDHHS shall immediately forward a copy of the birth verification upon receipt.
 - 2) A photocopy of the Social Security Card or verification provided by MDHHS identifying the child's Social Security Number.
 - 3) A copy of the Medical Passport (DHS-221).

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- 4) If available, a copy of the Youth Health and Dental Record or other documentation of physical and dental examination(s) within the past 12 months and history including immunization record.
- 5) Court studies and reports, when applicable and available.
- 6) Copies of all psychological/psychiatric reports, evaluations, assessments, medication monitoring visits related to mental health care.
- 7) Trauma assessments.
- 8) Psychological assessments are not to be routinely required for intake decision-making. If the Contractor requests a psychological evaluation and the local MDHHS office agrees that a psychological evaluation is appropriate, the local MDHHS office shall arrange and pay for the evaluation within the allowable payment maximum.

If the local MDHHS office does not agree that an evaluation is necessary, the Contractor is responsible for arranging the evaluation. The cost of the evaluation may be billed to the child's medical insurance provider if the service is covered, if not the costs are covered by the per diem reimbursement rate.

- 9) Copy of the Child Protective Services Transfer Summary as specified in the FOM 722-01.
- 10) Exception request approval from DCWL for the placement of an adjudicated delinquent child in an abuse/neglect program. Court order required for the specific contracted abuse/neglect program.

1.3 Admission Criteria

The assessment program is available to children ages 6 through 17 whom either:

- a. Have significant behavioral challenges or other complex factors requiring a comprehensive assessment to either reunify or select an out-of-home placement, or
- b. Have repeated placement instability or placement moves and a more thorough assessment is needed to either reunify or make a stable next placement.

The criteria for admission shall be outlined in the admission grid located on the Michigan Statewide Automated Child Welfare Information System (MiSACWIS) system. The admission grid shall identify the behaviors and characteristics of children for whom the Contractor may provide services. It is

understood by both parties to this Contract that behaviors of one child or some children in a program can affect the Contractor's ability to serve children who are referred subsequently. It is also understood by both parties to this Contract that combinations of behaviors may influence intake decision making.

1.4. Service Planning and Delivery

- a. MDHHS shall cooperate with the Contractor in completing the DHS-3600 and developing a service plan for the child and family. MDHHS shall ensure the Contractor receives the DHS-3600 at the time of the child's admission. In event of an emergency placement, the DHS-3600 shall be completed and signed no later than the first working day following placement.
- b. The primary caseworker/agency responsible for placement shall have weekly contact (phone, e-mail or face-to-face) with the Contractor to provide status updates regarding achievement of the discharge plan.
- c. The primary caseworker/agency responsible for placement shall review and approve or request modification of the Contractor's initial and updated case plans submitted by the Contractor as required by the FOM.
- d. The primary caseworker/agency responsible for placement shall provide the Contractor a copy of the Foster Care Payment Authorization (DHS-626-YA) at the time of placement for all State paid placements.
- e. The primary caseworker/agency responsible for placement shall assure that the child has a basic wardrobe, as defined and documented by the DHS-3377 upon entering the Contractor's care.
- f. The primary caseworker/agency responsible for placement, except in emergencies or when constrained by a court order or parental demand, shall give at least 30 calendar days notification to the Contractor of any discharge decision made without the Contractor's concurrence.
- g. In the event that the Contractor provides a written notification of the decision to terminate a child's placement in 15 calendar days, the primary caseworker/agency responsible for placement shall:
 - 1) Acknowledge receipt of the notification within five business days.
 - 2) Provide at least weekly contacts with the Contractor to advise of progress in arranging another placement.
 - 3) Arrange transfer of the child from the Contractor's care within 15 calendar days, unless the primary caseworker/agency supervising the placement and the Contractor agree in writing on a later date.

- h. Upon the Contractor's request, the primary caseworker/agency responsible for placement shall remove a child who is in danger to himself/herself or others per the conditions specified in 2.10 u. 2) of this Contract, within 24 hours.
- i. The primary caseworker/agency responsible for placement shall visit the child every month, which includes observing the child's daily living and sleeping areas (FOM-722-06H, Caseworker Contacts). The Contractor shall allow the primary caseworker/agency responsible for placement to meet in private with the child during a portion of each visit.
- j. The Contractor shall allow the assigned primary caseworker/agency responsible for placement or another staff designated by the primary caseworker/agency responsible for placement to visit the child face-to-face upon request, and shall provide a place for them to meet privately, if requested.
- k. If a primary caseworker/agency responsible for placement does not meet the responsibilities outlined in this Contract, the Contractor shall notify the local MDHHS office County Director responsible for child welfare case management. If the dispute is not resolved, the Contractor is to contact the MDHHS Director of Field Operations, located in MDHHS Central Office Administration.

1.5. Legal or Court Related

MDHHS shall not transfer legal responsibility for any child to the Contractor except as provided herein.

MDHHS shall involve the Contractor, to the extent allowed by law, in matters relating to any legal or court activities concerning the child while in the Contractor's care. If the Contractor is to be involved in the court proceedings, MDHHS shall provide the Contractor with applicable written reports for court use upon request, subject to confidentiality requirements imposed by statute.

The Contractor shall ensure all directives and services ordered by the court are completed to the satisfaction of the court within the timeframes ordered.

2. CONTRACTOR RESPONSIBILITIES

2.1. Email Address

The Contractor authorizes MDHHS to use the contact information below to send Contract related communications. The Contractor shall provide MDHHS with updated contact information if it changes. The Contractor confirms that this person is either authorized to sign Contracts or is recognized by this organization to assume this responsibility.

Contact email address: |

2.2. Requests for Information

The Contractor may be required to meet and communicate with MDHHS representatives and from time to time MDHHS may require that the Contractor create reports or fulfill requests for information as necessary to fulfill the MDHHS' obligations under statute and/or Dwayne B. v. Snyder, et al., 2:06-cv-13548, herein referred to as the Implementation, Sustainability, and Exit Plan (ISEP).

2.3. Geographic Area

The Contractor shall provide services described herein in the following geographic area: Statewide

The Contractor may by arrangement with the local MDHHS office and the MDHHS Children's Services Agency provide services to MDHHS-referred children and families from other areas of the State.

2.4. Licensing Requirements and Number of Children in Care

The MDHHS Division of Child Welfare Licensing (DCWL) is the licensing agency for Child Caring Institutions (CCI). A license is issued to a certain person or organization at a specific location, is non-transferable, and remains the property of the Department. Therefore, an institution must be established at a specific location.

The Contractor shall ensure that, for the duration of this Contract, it shall maintain a license for those program areas and services that are provided for in this Contract. If the Contractor fails to comply with this section, MDHHS may terminate this Contract for default.

The Contractor is licensed to provide service under this Contract under the following license number: xxx

At no time shall the number of children in care exceed the licensed capacity of the facility specified in the Contractor's license. On no day during this Contract period, shall there be more than xxx children in placement for whom MDHHS has the responsibility to make a State payment. MDHHS does not guarantee any minimum number of referrals or children in care at any point in time. If the Contractor is able to admit more than the contracted number of youth (but not more than the licensed capacity), a Bed Capacity Exception must be obtained by the primary caseworker/agency through DCWL prior to placement.

2.5. Location of Facilities

The Contractor shall provide services described herein at the following location(s):

xxx

2.6. Program Name and Statement

Program Name: xxx

The focus of the assessment program is to:

- a. Provide a safe residential environment in which children who have been removed from their home can be evaluated for services.
- b. Provide an evaluation of the appropriate placement for a child to ensure that appropriate information is obtained in order to facilitate service planning and placement stability.

The Contractor shall provide MDHHS with copies of its program statements for the program covered under this Contract. The program statement shall comply with the requirements of MDHHS DCWL standards specific to the license listed in Section 2.4 above and with all federal laws related to the mixing of abuse/neglect and juvenile justice programs.

The Contractor shall inform MDHHS of any changes made to the program statement at any point during the term of this Contract and provide copies of the new statement to MDHHS.

2.7. Provider Numbers

MiSACWIS Provider Number: xxx

Bridges Provider Number: xxx

2.8. Credentials

The Contractor shall assure that appropriately credentialed or trained staff under its control, including Contractor employees and/or subcontractors, shall perform functions under this Contract.

2.9. Compliance Requirements

- a. The Contractor shall comply with all applicable MDHHS policy Children's Foster Care Manual (FOM) and MDHHS policy amendments, including interim policy bulletins.

- b. Throughout the term of this Contract, the Contractor shall ensure that it provides all applicable MDHHS policy and MDHHS policy amendments (including interim policy bulletins) and applicable Administrative Codes to social service staff. The Contractor shall ensure that social service staff complies with all applicable requirements.

MDHHS policies, amendments and policy bulletins, are published on the following internet link: <https://dhhs.michigan.gov/olmweb/ex/html>
Administrative Codes are published on the following internet link: http://michigan.gov/lara/0,4601,7-154-35738_5698-118524--,00.html

- c. Michigan Department of Health and Human Services (MDHHS) will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, gender identity or expression, sexual orientation, political beliefs, or disability.

The above statement applies to all MDHHS supervised children, and to all licensed and unlicensed caregivers and families that could potentially provide care or are currently providing care for MDHHS supervised children, including MDHHS supervised children assigned to a contracted agency.

- d. The Contractor shall provide services within the framework of Michigan's Child Welfare Practice Model, MiTEAM. The Contractor shall utilize the skills of engagement, assessment, teaming and mentoring in partnering and building trust based relationships with families and children by exhibiting empathy, professionalism, genuineness and respect. Treatment planning shall be from the family driven, youth guided perspective clearly articulated and identified in the treatment plan.
- e. The Contractor shall comply with the following provisions of 2015 PA 53. Specifically, once a Contractor accepts a referral from MDHHS, by doing either of the following:
 - 1) Submitting to MDHHS a written Contract to perform the services related to the particular child or particular individuals that the Department referred to the Contractor; or
 - 2) Engaging in any other activity that results in the MDHHS being obligated to pay the Contractor for the services related to the particular child or particular individuals that the Department referred to the Contractor.

The Contractor acknowledges that it has waived any legal protections under MCL 722.124e, MCL 722.124f, and/or MCL 710.23g to decline to provide such services based on an assertion that to do so would conflict with the

Contractor's sincerely held religious beliefs contained within its statement of faith, written policy, or other document adhered to by the Contractor.

- f. The Contractor shall ensure compliance with all applicable provisions and requirements of the Dwayne B. v. Snyder, et al., 2:06-cv-13548, Implementation, Sustainability, and Exit Plan.
- g. Prudent Parent Expectations

The Contractor shall ensure prudent parent expectations are followed as outlined in FOM 722-11, Prudent Parent Standard & Delegation of Parental Consent.

Additional Compliance Provisions

The contractor shall also comply with the provisions of:

- 1) 1984 Public Act, 114, as amended being M.C.L. 3.711 *et seq.*, Interstate Compact on the Placement of Children.
- 2) 1975 Public Act 238, as amended, being M.C.L. 722.621 *et seq.*, Child Protection Law.
- 3) 1982 Public Act 162, as amended, being M.C.L. 450.2101 *et seq.*, Michigan Nonprofit Corporation Act.
- 4) 1994 Public Act 204, as amended, being M.C.L. 722.921 *et seq.*, Michigan Children's Ombudsman Act.
- 5) 1973 Public Act 116, as amended, being M.C.L. 722.111 *et seq.*, Michigan Child Care Organization Act.
- 6) 1939 Public Act 288, Chapter X, being M.C.L. 710.1 *et seq.*, Michigan Adoption Code.
- 7) 1984 Public Act 203, as amended, being M.C.L. 722.951 *et seq.*, Michigan Foster Care and Adoption Services Act.
- 8) The Social Security Act as amended by the Multiethnic Placement Act of 1994 (MEPA); Public Law 103-382, and as amended by Section 1808 of the Small Business Job Protection, the Interethnic Adoption Provision (IEAP).
- 9) The Indian Child Welfare Act (ICWA); Public Law 95-608 being 25 U.S.C. 1901 *et seq.*
- 10) 1976 Public Act 453, as amended, being M.C.L. 37.2101 *et seq.*, Elliott-Larsen Civil Rights Act.
- 11) Fostering Connections to Success Act of 2008
- 12) Preventing Sex Trafficking and Strengthening Families Act, Federal PL 113-183
- 13) 2017 Public Acts 246 through 255, Michigan Opioid Laws

2.10. Services to be Provided

Services provided under this Contract shall be trauma informed and be evidence-based, evidence-informed or identified as a promising practice to effect optimal outcomes.

A child welfare trauma-informed approach understands and recognizes that the vast majority of children in foster care have experienced complex trauma, which can significantly harm individual and familial development. In response, the Contractor shall educate parents and caregivers on the potential developmental impact of trauma, screen children for trauma, refer or provide clinical trauma assessments, collaborate with mental health providers to link children to evidence-based and supported trauma services, develop resiliency-based case plans and recognize the necessity of building workforce resiliency both at the individual staff and organizational levels.

Services must be delivered according to each child's assessed needs with interventions aligned with the identified needs and desirable outcomes. Resources for evidence-based, evidence-informed interventions and promising practices can be found at:

- Building Bridges Initiative (BBI); www.buildingbridges4youth.org
- American Academy of Pediatrics; <http://www2.aap.org/commpeds/doch/mentalhealth/KeyResources.html>
- SAMHSA's National Registry of Evidence-based Programs and Practices; www.nrepp.samhsa.gov
- California Evidence-Based Clearinghouse for Child Welfare; <http://www.cebc4cw.org>
- The National Child Traumatic Stress Network; www.NCTSN.org
- American Academy of Child and Adolescent Psychiatry (AACAP); www.aacap.org.

The Contractor, within the constraints of the agency's Contract, shall incorporate normalcy activities into residential programming. These activities must comply with the reasonable and prudent parent standard to help children develop skills essential for positive development.

a. Residential Care

The Contractor shall ensure that each child in its care shall be provided with the elements of residential care outlined in the MDHHS DCWL Child Caring Institution standards specific to the license listed in Section 2.4. of this Contract.

b. Standardized Assessment Tools:

The Contractor shall utilize the following assessment tools to assess the child's needs and strengths while in the residential program:

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- 1) Child Assessment of Needs and Strengths (CANS)
- 2) Casey Life Skills Assessment (CLSA) or Daniel Memorial Assessment (For children 14 years of age and older)

The Contractor may utilize additional standardized and reliable assessment tools to assess overall progress in functioning.

The Contractor shall administer the assessment tools within 15 calendar days of admission, and quarterly thereafter and at the time of planned discharge until discharge. An unplanned discharge is defined as an immediate (one calendar day or less) move from the Contractor's program as directed by the court or caseworker. Children who are Absent Without Legal Permission (AWOLP) are also considered an unplanned discharge.

Throughout the term of this Contract the Contractor shall maintain the capability to provide services 24 hours a day, 365 days a year as specified in the treatment plan for each child and his/her family accepted for care.

Services provided to each child shall be individually determined based on the CANS, and shall be documented in the child's treatment plan.

1) Intake

a) The Contractor shall develop a preliminary service plan within seven calendar days of admission. The plan shall include:

- i. A comprehensive assessment of the child's physical/mental health needs
- ii. An assessment of the child's immediate and specific needs.
- iii. The specific services to be provided by the contractor and other resources to meet the identified needs
- iv. Goals, outcomes, and timeframes for achievement
- v. Reasons for continued care
- vi. Placement recommendation
- vii. Barriers to achievement of the recommended placement and plans to eliminate barriers.

b) The Contractor shall develop an assessment-based treatment plan within 15 calendar days of placement. The Contractor shall document the assessment-based treatment plan on the identified Children's Foster Care Residential Care Case Plans. The Contractor shall ensure that licensed clinical personnel (master's level social worker, master's level counselor, licensed psychiatrist, and/or psychologist) conduct a bio-psychosocial

evaluation, or review a recent bio-psychosocial evaluation (within the past year) that includes:

- i. A psychiatric history, as necessary
- ii. Social history
- iii. A mental status examination
- iv. A trauma assessment
- v. Intelligence and projective tests, if necessary
- vi. A behavioral appraisal
- vii. Family, environmental, cultural, and religious or spiritual preferences
- viii. Educational and vocational goals and needs
- ix. Strengths, skills, and special interests
- x. Behaviors that necessitated a more restrictive placement setting for the child
- xi. Reviewing previous psychotherapeutic and psychiatric assessments and treatment

c. Referral and Intake Process

1) Referral Packet

At the time of referral, the primary caseworker/agency or RPU shall provide the contractor with a complete referral packet as outlined in 1.2 Referral Packet of this Contract.

2) Referral

- a) The Contractor shall accept and act on referrals from either a primary caseworker/agency or RPU upon receipt of a complete referral packet. The referring primary caseworker/agency or RPU shall not be required to complete an application or other Contractor forms for inclusion in the agency case record or agency files or for any other purpose.
- b) The primary caseworker/agency or RPU responsible for placement shall be notified, within five working days of receipt of a complete referral packet, see Section 1.2, of:
 - i) the decision to set up an initial interview (if needed),
 - ii) the rejection or acceptance of the child for placement, and if accepted,
 - iii) the admission date or status on a waiting list.
- c) If a child is rejected, the reasons for non-acceptance shall be given to the primary caseworker/agency or RPU responsible for placement and the Foster Care Program Office in writing within five working days of the date the child was rejected. Notifications

of rejections to the Foster Care Program Office must be emailed to Child-Welfare-Policy@michigan.gov.

- d) The Contractor shall not accept a child for placement prior to a fully executed Individual Service Contract (DHS 3600). In event of an emergency placement, the DHS-3600 shall be fully executed no later than the first working day following placement.

d. Staffing

1) Staffing Ratio

The Contractor shall:

- a) Provide a minimum of one on-duty direct care worker for every xx children during waking hours
- b) Maintain a minimum of one on-duty direct care worker for every xx children during sleeping hours. All of these staff shall be awake during this period. Room checks must be conducted at intervals of no more than every 15 minutes between checks during sleeping hours

The Contractor shall provide trained staff sufficient to adequately fulfill the terms of this Contract and shall demonstrate a good faith effort to recruit and employ staff that reflect the racial, ethnic and cultural composition of the Contractor's client population.

The Contractor shall designate individual(s) trained in making decisions using the reasonable and prudent parent standard and who are authorized to consent to the youth's participation in activities. A designated individual(s) is to be onsite to exercise the reasonable and prudent parent standard. The designated individual shall take reasonable steps to determine the appropriateness of the activity in consideration of the child's age, maturity, and developmental level. The designated individual(s) is to consult with social work or treatment staff members who are most familiar with the child at the residential program in applying and using the reasonable and prudent parent standard.

2) Child Care

Child care is defined as those activities necessary to meet the daily physical, social and emotional needs of the child.

- a) Assure the availability, within 10 minutes, of on-call Contractor support staff or contracted staff for emergency assistance at all times.
- b) Have available to all staff a written emergency plan for contacting police, fire, or emergency medical staff.

- c) Develop and implement standard operating procedures relative to emergency planning which is shared with all staff and contains at a minimum the following:
- i. Procedures that provide direction to staff encountering the following situations:
 - Bomb threat/device
 - Chemical spill
 - Fire
 - Natural disaster (tornado, heavy snow, flood, etc.)
 - Loss of utilities (heat, electricity, water, or other power outages)
 - Other disruptions (hostage situations, armed intruders, etc.)
 - ii. A list of emergency telephone numbers (Police, Fire Department, Ambulance and Utilities)
 - iii. Clear direction:
 - For emergency evacuation, including type of evacuation and exit route assignments.
 - To employees who remain to operate critical plant operations before they evacuate.
 - To employees performing rescue or medical duties.
 - To ensure notification of administration.
 - To account for all children and staff
 - For contacting emergency services.
 - Notification of the department of the emergency no later than the next business day.

Directions must be placed in areas readily available to staff. The Contractor shall review and annually update (or more frequently as needed) the emergency plans and written directions.

3) Staff Education and Experience Qualifications

- a.) All program staff shall possess the following minimum qualifications:
- i. A non-judgmental, positive attitude toward children with mental health and behavioral problems
 - ii. Training, education and experience in the area of human services
 - iii. Experience working with at risk children and families
 - iv. Cultural and ethnic sensitivity, as well as diversity competency

- v. Knowledge of and skills in the area of mental health, substance abuse, child sexual behavior and child development
- vi. Ability to engage with, and relate to, children with multiple problems
- vii. Skills in crisis intervention, assessment of potentially violent situations and short-term goal setting

b.) Therapy services shall be provided by one of the following:

- i. Licensed Master's Level Social Worker
- ii. Licensed Master's Level Counselor
- iii. Limited License Master's Level Psychologist
- iv. Licensed Psychologist, Ph.D.
- v. Limited License Master's Level Counselor or Limited License Masters Level Social Worker under the supervision of a Licensed Counselor or a Licensed Masters Level Social Worker
- vi. Psychiatrist trained to work with youth and families: Board Certified in Child/Adolescent Psychiatry is preferred.

If therapy services are subcontracted, the Contractor must ensure the subcontracted provider has the appropriate credentials outlined in this Contract.

4) Staff Training Requirements

The Contractor shall provide 50 hours of training during a new hire's first year of employment. The Contractor shall provide a minimum of 40 clock hours within the first 30 calendar days of employment. Sixteen of the 40 hours of training shall occur prior to direct care staff having contact with children. The remaining hours shall be completed prior to the end of the first year of employment.

- a) Orientation shall include topics identified in R400.4128, as well as the Child Protection Law, Mandated Reporting Requirements, Family/Child/Youth Engagement, Interpersonal Communication, Appropriate discipline, crisis intervention, child handling and de-escalation techniques and basic group dynamics.
- b) A minimum of 25 hours per year of staff development shall be provided to direct care staff.
- c) Based on the assessment of a staff persons identified training needs, annual training topics shall be selected from but not limited to the areas identified in R400.4128 and the following:

- i. Working as part of a team.
- ii. Relationship building.
- iii. Family/Child/Youth Engagement.
- iv. Understanding and analyzing problem behaviors.
- v. Positive Behavior Support.
- vi. Setting Clear Limits.
- vii. Interpersonal communication.
- viii. Appropriate discipline, crisis intervention, and children handling and de-escalation techniques.
- ix. The significance of the birth family, value of visitation, importance of attachment and strengthening family relationships, impact of separation, grief and loss issues for children in foster care, and child's need for permanency.
- x. Understanding and recognizing the emotional and behavioral issues and/or physical needs of abused/neglected children.
- xi. Medication Management: Administration, monitoring, recording, secure storage, medication side effects and procedure for reporting side effects, medication reviews and process for obtaining informed consents for medication changes.
- xii. Cultural competency.
- xiii. Effects of trauma.
- xiv. Suicide prevention and/or intervention.
- xv. Child Development.
- xvi. Trauma informed practices.
- xvii. Strength-based interventions and interactions.
- xviii. Defusing threatening behaviors.
- xix. Solution focused assessment and case planning.

All program staff will be trained to serve as a role model for appropriate social skills, prioritizing needs, negotiation skills, accessing local resources, hygiene and grooming preparation, food preparation and anger management.

All program staff shall be provided with annual trauma-focused program training to maintain a trauma-informed milieu and treatment environment. Trauma-focused programming must be based on an evidence-based, evidence-informed or promising practice treatment model.

e. Reporting

- 1) The Contractor shall develop and submit to the primary caseworker/agency or RPU responsible for placement: all service

plans, case summaries, incident reports, arrests, death notifications and other reports as required in the Children's Foster Care Manual (FOM) and the MDHHS DCWL standards specific to the Contractor's license specified in Section 2.4 of this Contract. Service Plans shall be completed on the age appropriate Children's Foster Care Residential Initial Service Plan, (DHS 365) and the Children's Foster Care Residential Updated Service Plan (DHS-366). The Foster Care/Juvenile Justice Action Summary (DHS-69) shall be utilized as identified in the FOM.

- 2) The Contractor shall submit a photo of the child to the primary caseworker/agency or RPU responsible for placement taken at the time of placement. A copy of the photo shall be maintained in the child's file and replaced with a new photo annually. The Contractor shall submit a new updated photo to the primary caseworker/agency or RPU responsible for placement at least annually in an electronic format or a format which is suitable for scanning into an electronic file.

f. Restraint and Seclusion:

The Contractor shall not use Positive Peer Culture, peer-on-peer restraint, chemical restraint, or any form of corporal punishment.

The Contractor shall report the use of seclusion/isolation and restraint within 24 hours (or the next business day) of the use of seclusion/isolation or restraint. The Contractor will utilize the MDHHS Incident Reporting Form in MiSACWIS to record all incidents of seclusion/isolation and restraint.

g. Transitional and Discharge Planning

The Contractor shall develop and/or review a transition/discharge plan in collaboration with the child, parent or guardian, agency with placement responsibility, foster parents, relative caregiver, Lawyer Guardian ad Litem (LGAL), and local community mental health providers the child will be engaged with upon completion of residential treatment during all subsequent Family Team Meetings following admission. Transition and discharge planning shall begin at the time of admission. The child's transition/discharge plan along with a projected date for discharge shall be included in each child's service plan. The child's transition/discharge plan will include the level of care projected to be needed at discharge. The plan will include recommended services, transfer of information (e.g. medical records, mental health records, etc.) and a graduated visitation schedule, all to prepare the family/caregiver(s) for a well-supported discharge placement.

The Contractor shall ensure the child's transition/discharge plan is reviewed and updated during quarterly team meetings.

h. Family Team Meetings

Family Team Meetings are an essential component of MiTEAM and serve as the primary forum for collaborative case planning for the child and family. The overall goals of the Family Team Meetings are used to plan and review for the child ensuring the child receives an appropriate array and quantity of services necessary to stabilize him/her clinically and behaviorally and to prepare him/her to succeed in less restrictive community based settings after discharge.

Upon admission, the Contractor shall coordinate with the primary caseworker/agency or RPU responsible for placement, the family and the child to identify members of the child's team for ongoing participation in case planning Family Team Meetings facilitated by MDHHS/PAFC or designee. The Contractor shall incorporate relevant planning goals/action steps regarding the child(ren) from previous Family Team Meetings into the Contractor developed initial case plan due 30 days from admission. The Contractor and child(ren) shall participate in quarterly Case Planning Family Team Meetings facilitated by the assigned primary caseworker/agency/designee or RPU, and align Contractor developed quarterly case plans with Family Team Meeting/Parent Agency Treatment plans.

For youth who are developmentally appropriate to participate in a Family Team Meeting, the Contractor shall facilitate a Pre-Meeting Discussion with the child at least 24 hours prior to the Family Team Meeting. The Contractor shall participate with the youth in person or via phone conference at all Case Planning/Case Plan Reassessment Family Team Meeting.

The Contractor shall work with the child, family, treatment team, primary caseworker/agency or RPU and local CMH provider to assist the child in developing ties to his/her community and other non-family resources. These ties provide assistance and connections with caregivers to help meet the child's relationship needs.

i. Legal or Court Related

The Contractor shall cooperate with the primary caseworker/agency or RPU responsible for placement of the child in matters relating to any legal or court activities concerning the child. These activities may include, but are not limited to:

- 1) Transportation of the child to and from court hearings.
- 2) Supervision of the child during transport or while present at the hearing.

- 3) Court testimony, recommendations, and reports to the court as requested by the court.

Safety of the child must always be a priority concern when considering the child's transportation needs. If determined that a child is presenting safety concerns and is unable to be safely transported to a court hearing, the Contractor shall immediately notify the child's LGAL and the primary caseworker/agency or RPU responsible for the child's placement.

j. Absent Without Legal Permission

The Contractor shall have a clearly defined process for determining when a child is AWOLP from the placement. The process shall delineate how the facility and grounds are searched, what personnel will be involved in the search, and how the determination will be made that the child is AWOLP from the placement.

Once determined that a child is AWOLP from the placement, the Contractor shall:

- 1) **Immediately** notify law enforcement agencies that the ward under their care has failed to return at the expected time.
- 2) **Immediately** file a missing person report with law enforcement.
- 3) **Immediately** notify the local office the primary caseworker/agency or RPU responsible for placement or designee of the child's AWOLP status.

k. Independent Living Preparation

Independent living preparation is defined as a comprehensive and coordinated set of activities that will assist all children in preparing for a state of independence or providing care of oneself socially, economically, and psychologically.

The Contractor shall provide Independent Living activities for all children aged 14 and older which shall include, but are not limited to: budgeting and money management; employment seeking skills; communication skills; relationship building; establishing health and hygiene; household maintenance and upkeep; educational assistance; preventive health services; parenting skills and accessing community services.

The Contractor shall identify Independent Living activities in the child's DHS-365 and DHS-366 regularly, following the child's 14th birthday, according to the FOM 722-03C, Older Youth: Preparation, Placement, and Discharge. For children with developmental disabilities, the contractor shall provide relevant adult self-care, daily living skills, community engagement and mobility skills within the aforementioned domains.

I. Individual or Group Therapy

The Contractor shall provide direct therapy services for each child individually and/or in group sessions within 24 hours of placement and at least weekly thereafter. If the child is provided group therapy on a weekly basis, then at least one session out of four must be an individual therapy session. Individual and/or group therapy shall be provided in accordance with the child's treatment needs as identified in the child's service plan.

The Contractor shall provide at least weekly family therapy in accordance with identified needs of the parent and child.

m. Inclusion and Involvement of parents, other family members, or caregivers:

Families (including incarcerated parents) and placement caregiver(s) shall be included as extensively as possible from the beginning of the admission process through discharge, transition and aftercare. Families and caregiver(s) shall be supported and involved in all aspects of the child's treatment and reintegration planning whenever possible. Family and caregiver(s) involvement shall remain the center of the child's programming. All services shall be provided in a manner that ensures children, families and placement caregiver(s) receive comprehensive, culturally competent interventions.

The Contractor shall, in accordance with each child's individual treatment plan:

- 1) Include the family (birth, relative, identified adult support or permanent caregiver) in the development of the DHS-365 and specifically document the family's involvement in the service plan and permanency goal.
- 2) Provide routine transportation and flexible hours to meet the family's time schedule to facilitate the family's accomplishment of the treatment goals. Routine transportation is defined as any travel, including travel for family visitation, required by the child or family for treatment purposes which occurs in the Contractor's geographic area to be served, that may not reasonably be provided by the parents or other funding source. The Contractor shall coordinate/collaborate with the primary caseworker/agency or RPU responsible for placement to resolve transportation barriers.
- 3) If the distance of a family from the agency is identified as a barrier, describe the agency's plan to reduce the barrier to ensure ongoing family contact as outlined in the FOM 722-06I, Maintaining Connections Through Visitation and Contact.

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- 4) Provide an identifiable area for family visits which offer privacy and comfort.
- 5) In collaboration with the agency responsible for placement, allow for sibling visitation and other required sibling interaction as outlined in FOM 722-06I, Maintaining Connections Through Visitation and Contact, and provide supported intervention, based on the child's treatment needs, to encourage and strengthen sibling relationships.
- 6) Include a specific plan to address the family's needs, to assist the family in meeting the needs of the child in placement, and to attain the family goals, as well as delineation of roles of the Contractor, assigned caseworkers, and family to accomplish these goals. The Contractor shall coordinate with the primary caseworker/agency or RPU responsible for placement to identify, recruit and prepare any identified family for eventual placement or involvement with the child.
- 7) Withholding of family contact (in any form) as a method of discipline is prohibited.
- 8) For children available for adoption without an identified adoptive family, the Contractor shall make reasonable efforts to ensure the child is present for identified special recruitment activities. If there are safety concerns or other identified treatment concerns, the Contractor shall consult with the assigned primary caseworker/agency or RPU responsible for placement.

n. Religion and Cultural

The Contractor shall respect the religious preference of the child and his/her parent(s) or legal guardian.

The Contractor shall ensure each child is afforded opportunities to attend religious services or activities in his/her religious faith of choice. The Contractor shall arrange for or ensure reasonable means are provided for transportation of a child to services or activities on or off site. Safety of the child must always be a priority concern when transporting and supervising child.

The Contractor shall not require or coerce a child to participate in religious services or activities, shall not discipline, discriminate against, or deny privileges to any child who chooses not to participate. The Contractor shall recognize and take into consideration the racial, cultural, ethnic and religious backgrounds of a child when planning various activities or religious activities.

o. Education

The Contractor shall ensure every child is provided with appropriate educational services. Those services shall be provided in accordance with the requirements set forth in the FOM and MDHHS Division of Child Welfare

Licensing standards for the license specified in Section 2.4 of this Contract, and as detailed in the Implementation, Sustainability, and Exit Plan
In addition, the contractor shall:

- 1) Collaborate with the child's identified school to screen for possible educational disabilities; and if a disability is suspected, refer the child for an Individual Education Program Team (IEPT) evaluation within the first 30 calendar days to assess, plan and place the child in the most appropriate educational/vocational program.
- 2) Request prior educational assessments within 30 calendar days of placement to assist in assessing the current educational needs. Documentation of diligence in requesting records must be included in the child's file.
- 3) For children with identified disabilities for whom discharge is planned, an exit review of the educational plan shall be initiated at least 30 calendar days prior to discharge and forwarded to the assigned primary caseworker/agency or RPU responsible for placement.
- 4) Assure that program staff is available to the school program in crisis situations to assist in managing the crisis or to call for assistance.
- 5) Notify the school administration where the child is enrolled, in writing, of the name of the person who is supervising the child's foster care case and who is responsible for attending IEPT meetings. Documentation of the notification is to be contained in the Education section of the child's foster care case record.
- 6) Provide or arrange structured educational and/or vocational activities for children suspended from or expelled from school, or who have passed their General Education Development (GED) test, (i.e., structured homework time, additional reading or writing activities, online educational programming, independent study assignments and independent living skills).
- 7) Take an active role in monitoring and maintaining school progress for children whether or not they attend a structured school program. Interventions may include, but are not limited to, obtaining school assignments, monitoring completion of homework, capturing and reporting grades and test scores when and where available, and additional tutoring.
- 8) Provide tutorial services to a child, as necessary, based on the child's Individualized Education Plan (IEP) or treatment plan. Tutorial staff must have appropriate educational credentials to provide tutorial services. Appropriate educational credentials are determined by the Contractor's Permanency/Educational Specialist.
- 9) Provide advocacy and service planning for children that are expelled.
- 10) Be in compliance with Michigan's Department of Education rules and requirements if they operate a school on the Contractor's ground.
- 11) Provide transportation to and from the child's identified school if public school transportation is not available.

p. Medical and Dental Care

The Contractor shall assure that each child receives routine and non-routine medical and dental care as required in the FOM 801, Health Services for Foster Children and the MDHHS DCWL standards for the license specified in Section 2.4 of this Contract and as detailed in the Implementation, Sustainability, and Exit Plan. The Contractor shall provide all medical and dental information to the assigned primary caseworker/agency or RPU responsible for placement to facilitate maintenance of the Medical Passport (DHS-221). In addition, the Contractor shall assure that specific health care is provided, including:

- 1) Rehabilitative, physical or dental procedures by medical personnel as necessary.
- 2) Utilization of enrolled Medicaid providers or a board certified physician or dentist volunteering his/her time for health procedures.
- 3) Provision of medication as prescribed by a treating physician. Agency must have a Standard Operating Procedure for dispensing and storage of medication.
- 4) Special diets provided as needed and regularly reassessed utilizing appropriate specialized personnel.
- 5) The Contractor shall forward the above-DCWL required medical and dental examination reports the primary caseworker/agency or RPU within five working days of completion.

q. Wardrobe/Personal Possessions

The Contractor shall assure that each child has an adequate wardrobe as defined by and documented on the Clothing Inventory Checklist (DHS-3377) while in placement and upon leaving placement. When the child is absent or at the conclusion of the placement, the Contractor shall have a process in place to keep the child's wardrobe and possessions safe until claimed by the child or MDHHS. If the possessions are not claimed within 90 calendar days, the Contractor may dispose of the items at its discretion.

r. Recreation Activities

The Contractor shall provide daily access to appropriate recreation activities as defined by MDHHS DCWL standards for the license specified in Section 2.4 of this Contract.

s. Psychological and Psychiatric Services

The Contractor shall provide the following in accordance with the treatment plan for each individual child. The costs of these elements may be billed to

the child's medical insurance provider if the service is covered. If not, the costs are to be covered by the per diem reimbursement rate:

1) Psychological Services

Psychological services are defined as various professional activities or methods, provided by a licensed Masters Social Worker, licensed Professional Counselor, licensed psychologist or a limited licensed psychologist, including therapy with children individually or in groups, consultation with staff, administering and interpreting psychological tests and work with families.

- a) The Contractor shall provide psychological services to an individual child on an as needed basis, per the child's DHS-365 or DHS-366. The Contractor shall engage the parent(s), medical and educational staff and any other relevant individuals involved in the child's treatment in the initial and ongoing evaluation process.
- b) The Contractor shall provide psychological testing as necessary for assessment and treatment planning within 15 calendar days of placement for assessment and treatment planning. The Contractor shall provide the assigned primary caseworker/agency or RPU responsible for placement a written report with 14 calendar days of completed testing.
- c) The Contractor shall provide psychological consultation to staff as necessary to assist staff in understanding the child's background or needs, test results, implications for treatment and interventions most appropriate for the child.

2) Psychiatric Services

Psychiatric services are defined as various professional activities or methods, performed by a licensed physician with expertise in mental/behavioral health care as evidenced by:

- a) Certification in Youth and Adolescent Psychiatry by the American Board of Psychiatry and Neurology (ABPN), or
- b) Certification in general psychiatry by the ABPN and clinical experience with children and adolescents.
- c) Services may include diagnostic assessment, individual psychotherapy with evaluation and management, medication review with minimal psychotherapy, individual or group therapy

with the resident(s) and consultation with agency staff. Telepsychiatry may be used when a local psychiatrist is not available.

- i. The Contractor shall provide psychiatric services to an individual child, on an as needed basis, according to the child's DHS-365 or DHS-366. The Contractor shall engage the parent(s), medical and educational staff and any other relevant individuals involved in the child's treatment in the initial and ongoing evaluation process.
- ii. The Contractor shall provide psychiatric consultation or supervision of Contractor staff as necessary to assist staff in understanding the results of the psychiatric evaluation(s), implications for the child's treatment and identification of treatment interventions most appropriate for the child.
- iii. Psychotropic Medication must be prescribed or adjusted by a child/adolescent psychiatrist or a psychiatrist with experience working with children and adolescent youth or the child's primary care physician if a psychiatrist is not available via telepsychiatry. For temporary wards, the child's parents must be engaged in the consultation either in person or by phone conference witnessed by the Foster Care Psychotropic Medication Oversight Unit (FC-PMOU). For state wards, the child's caseworker must be engaged in the consultation either in person or by phone conference witnessed by the FC-PMOU. Appropriate consent must be obtained for administration to a child of each psychotropic medication. The Contractor shall follow FOM 802-1, Psychotropic Medication in Foster Care.
- iv. Within 15 calendar days of the child's placement, if necessary from the child's treatment plan, the psychiatrist must assess the child and coordinate with the licensed clinical personnel completing the psychosocial assessment. The psychiatrist shall review the child's medication history, current needs and prescriptions. This includes adjustment of medications and dosage as necessary.
- v. After the first 15 calendar days of a child's placement, the psychiatrist shall review the child's current medical and psychiatric needs and prescription or adjustment of medications and dosage as necessary.
- t. Transitional Service Following Discharge
 - 1) Planned Discharge

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The Contractor shall provide the following transitional services to children discharged from the program in a planned discharge:

- a) Submit a discharge service plan to the primary caseworker/agency or RPU responsible for placement utilizing the DHS-69, which complies with the requirements of the MDHHS DCWL standards specific to the Contractor's license specified in Section 2.4 and also contains a summary of services provided during care.
- b) A statement for each child receiving psychotropic medication, including the name of the child's next treating psychiatrist/primary care physician, date of last medication review, date of last signed informed consent, date of medication review following discharge (within five days of discharge), and date the psychiatric information was provided to the next psychiatrist/primary care physician.
- c) Provide medical information, including a medication regime, a complete Prescription Information form (DHS-2840) signed by the Contractor's medical staff or clinical supervisor, and at least a 14-day supply of medication to the responsible party at the time of discharge.

2) Unplanned Discharge

An unplanned discharge shall be defined as one of the following:

- a) When the Contractor requests removal of the child from placement prior to the child successfully achieving the treatment goals. The Contractor shall continue services to the child for a period of up to 30 calendar days following written notification to the referring primary caseworker/agency or RPU responsible for placement of the decision to discharge the child from placement.
- b) An immediate (within one day or less) move of the child from the Contractor's program to another program/facility as directed by the court or primary caseworker/agency or RPU responsible for placement.

In the event of an unplanned discharge, the Contractor and primary caseworker/agency or RPU shall identify the specific treatment needs of the child and possible alternative placements.

The Contractor may request the primary caseworker/agency or RPU to remove a child from the Contractor's program in less than 30 days if the following conditions are met:

- i. The behaviors or their intensity that endanger the child or others were not made known to the Contractor before admission, **And**
- ii. The behavior considered dangerous to self or others is significantly deviant from what the Contractor has specified as acceptable.

And

- iii. The child makes actual physical attacks upon other persons and requires frequent restraint to prevent harm to self or others,

Or

- iv. The child makes an overt suicide attempt and hospitalization is necessary.

In such cases, the primary caseworker/agency or RPU shall respond promptly to the request for new placement to ensure the health and safety of the child and the well-being of other children in the program. If the child poses a threat to self or others, the Contractor may be approved to provide 1:1 staffing ratio. The approval for 1:1 staffing must be requested in writing to DCWL by email or fax. The 1:1 staffing will be approved while the conditions i. and ii. above continue to exist.

2.11. Program Performance Objectives

During the contract period, the Contractor shall track individual youth for the performance objectives listed below. The Contractor shall submit the data quarterly on the template provided by MDHHS. This data will be used for the purpose of identifying trends and establishing future outcome measures.

- a. The number and percentage of all children supervised by the Contractor who were victims of substantiated maltreatment by facility staff.
- b. The percentage of children, based upon the CANS and other assessment tools, who have transitioned into an appropriate placement within 60 days of placement.
- c. The percentage of children, based upon the CANS and other assessment tools, who have transitioned into an appropriate placement within 90 days of placement.
- d. The percentage of children discharged from the Contractor's program due to AWOLP status.
- e. The percentage of children who had a family visit within seven calendar days of placement and weekly thereafter unless any of the following exceptions are documented:

- 1) The court orders less frequent visits.
 - 2) The parents are not attending the visits despite the worker taking adequate steps to ensure the parent's ability to visit.
 - 3) One or both parents cannot attend the visits due to compelling circumstances such as hospitalization or incarceration.
 - 4) The child is above the age of 16 and refuses such visits take place.
- f. The percentage of children discharged from the program who have participated in a graduated visitation schedule as outline in his/her transition plan.
- g. The percentage of families who are actively involved in the planning for the child unless any of the following exceptions are documented:
- 1) The court orders no contact with the child.
 - 2) The parents are not cooperating despite the worker taking adequate steps to engage the parents in the process.
 - 3) One or both parents cannot participate due to compelling circumstances such as hospitalization or incarceration.

2.12. Audit Requirements

Contractor/Vendor Relationship

This Contract constitutes a contractor/vendor relationship with MDHHS. The Contractor must immediately report to the MDHHS Bureau of Audit any audit findings of fraud an Going Concern, financial statement misstatements, or accounting irregularities, including noncompliance with provisions of this Contract.

2.13. Financial Audit Requirements

a. Required Audit or Audit Exemption Notice

Contractors must submit to the Department either a Single Audit, Financial Statement Audit, or Audit Exemption Notice as described below. If submitting a Single Audit or Financial Statement Audit, Contractors must also submit a Corrective Action Plan for any audit findings that impact MDHHS-funded programs, and management letter (if issued) with a response.

1) Single Audit

Contractors that are a non-profit organization and that expend \$750,000 or more in federal awards during the Contractor's fiscal year, must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of Title 2 Code of Federal Regulations, Subpart F.

2) Financial Statement Audit

Contractors exempt from the Single Audit requirements with fiscal years that receive \$750,000.00 or more in **total funding** from the Department in State and Federal grant funding must submit to the

Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS).

3) Audit Exemption Notice

Contractors exempt from the Single Audit and Financial Statement Audit requirements (1 and 2 above) must submit an Audit Exemption Notice that certifies these exemptions. The template and further instructions are available at <http://www.michigan.gov/mdhhs> by selecting Inside MDHHS menu, then MDHHS Audit, then Audit Reporting.

b. Due Date and Where to Send

The required audit and any other required submissions (i.e. Corrective Action Plan and management letter with a response), or Audit Exemption Notice must be submitted to the Department within nine months after the end of the Contractor's fiscal year by e-mail to the Department at MDHHS-AuditReports@michigan.gov. The required submissions must be in PDF files and compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any reason the electronic submission process is not successful.

c. Penalty

- 1) If the Contractor does not submit the required Single Audit or Financial Statement Audit, including any management letter and applicable corrective action plans within nine months after the end of the Contractor's fiscal year, the Department may withhold from the current funding an amount equal to five percent of the audit year's contract funding (not to exceed \$200,000) until the required filing is received by the Department. The Department may retain the amount withheld as a penalty if delinquency reached 120 days past due. The Department may terminate the contract if the Contractor is 180 days delinquent in meeting the audit requirements.
- 2) Failure to submit the Audit Exemption Notice, when required, may result in withholding from the current funding an amount equal to one percent of the audit year's funding until the Audit Exemption Notice is received.

d. Other Audits

The Department or federal agencies may also conduct or arrange for "agreed upon procedures" or additional audits to meet their needs.

2.14. Cost Reporting

The Contractor shall submit annual financial cost reports based on the state's fiscal year which begins October 1 and ends September 30 in the following calendar year. The reports shall contain the actual costs incurred by providers in

delivering services required in this Contract to MDHHS clients for the reporting period. Costs for non-MDHHS children are not to be included. Reports will be submitted using a template provided by MDHHS. The financial reports shall be submitted annually, and will be due November 30 of each fiscal year. The Contractor must comply with all other program and fiscal reporting procedures as are or may hereinafter be established by MDHHS. Reports shall be submitted electronically to MDHHS-Foster-Care-Audits@michigan.gov with the subject line: RFCST Cost Report.

Failure to meet reporting responsibilities as identified in this Contract may result in MDHHS withholding payments until receipt of annual financial cost report. MDHHS may withhold from current payments an amount equal to five percent of the Contractor's reporting year MDHHS revenue (not to exceed \$60,000) until the required filing is received by the Department. MDHHS may retain withheld funds as a penalty if delinquency reaches sixty (60) days past due. MDHHS may terminate the contract if the Contractor is ninety (90) days delinquent in submitting the required annual financial cost report.

2.15. Service Documentation

The Contractor agrees to maintain program records required by MDHHS, program statistical records required by MDHHS, and to produce program narrative and statistical data at times prescribed by, and on forms furnished by, MDHHS.

2.16. Private Agency MiSACWIS

The Contractor shall ensure that residential payment staff has access to the Michigan Statewide Automated Child Welfare Information System (MiSACWIS) through a web-based interface, henceforth referred to as the "MiSACWIS application." The Contractor shall ensure that staff follow the MiSACWIS requirements for CCI Contracts which are found at http://www.michigan.gov/documents/dhs/Private_Agency_MiSACWIS_for_CCI_Contract_464662_7.pdf

2.17. Billing

The Contractor shall submit through the MiSACWIS system the bi-weekly roster for any child in the Contractors care per the instructions within the MiSACWIS system. The billing shall only indicate the units of service provided by the Contractor and shall be submitted to MDHHS within 30 days from the end of the billing period.

No original request for payment submitted by the Contractor more than one year after the close of the two week billing period during which services were provided shall be honored for payment.

When the Contractor's financial records reveal that payment for a child has not been provided by MDHHS within 30 days of receiving all necessary documentation, the Contractor will seek payment resolution by contacting the direct supervisor of the assigned MDHHS worker in writing. Any concerns over a payment authorization or issuance that cannot be resolved within 30 days of the written notice must be reported to the MDHHS County Director for immediate resolution. The Contractor will apprise MDHHS Office of Child Welfare Services and Support of any ongoing, unresolved payment concerns.

2.18. Fees and Other Sources of Funding

The Contractor guarantees that any claims made to MDHHS under this Contract shall not be financed by any source other than MDHHS under the terms of this Contract. If funding is received through any other source, the Contractor agrees to deduct from the amount billed to MDHHS the greater of either the fee amounts, or the actual costs of the services provided.

The Contractor may not accept reimbursement from a client unless the Contract specifically authorizes such reimbursement in the "Contractor Responsibility" Section. In such case, a detailed fee scale and criteria for charging the fee must be included. If the Contractor accepts reimbursement from a client in accordance with the terms of the Contract, the Contractor shall deduct these fees from billings to MDHHS.

Other third party funding sources, e.g., insurance companies, may be billed for contracted client services. Third party reimbursement shall be considered payment in full unless the third party fund source requires a co-pay, in which case MDHHS may be billed for the amount of the co-pay. No supplemental billing is allowed.

2.19. Recovery of Funding and Repayment of Debts

a. Recovery of Funding

If the Contractor fails to comply with requirements as set forth in this Contract, or fails to submit a revised payment request within allotted time frames established by MDHHS in consultation with the Contractor, MDHHS may require the Contractor to reimburse payments made under this Contract to which MDHHS has determined that the Contractor was not entitled. If the Contractor becomes aware of any situation involving payments received under this Contract to which the Contractor was not entitled, the overpayment amount must be repaid to MDHHS within 30 days of the Contractor becoming aware. The Contractor is liable for any cost incurred by MDHHS in the recovery of any funding.

Upon notification by MDHHS that repayment is required, or upon any other awareness of an overpayment to the Contractor, the Contractor shall make payment directly to MDHHS within 30 days or MDHHS may withhold future payments made under this or any other Contract(s), between MDHHS and the Contractor.

If the Contractor fails to: (1) correct noncompliance activities identified by MDHHS, (2) submit revised billings as requested as part of a Corrective Action Plan when required; or (3) remit overpayments or make arrangements to have the overpayments deducted from future payments within 30 days, such failure shall constitute grounds to terminate immediately any or all of MDHHS' Contracts with the Contractor. MDHHS shall also report noncompliance of the Contractor to Michigan's Department of Technology, Management and Budget. Such report may result in the Contractor's debarment from further contracts with the state of Michigan.

b. Repayment of Other Amounts due MDHHS

By entering into this Contract, the Contractor agrees to honor all prior repayment Contracts established by MDHHS with the Contractor or Contractor's predecessors. In the absence of a repayment Contract for amounts due MDHHS, the Contractor agrees to make monthly payments to MDHHS at an amount not less than 5% of any outstanding balance and to begin on the date this Contract is executed. If any of these required payments are made more than 30 days past the due date, MDHHS may reduce or withhold future payments made under this or any other Contract(s) between MDHHS and the Contractor.

The payment reduction will be made either at the amount originally established in the repayment Contract or at an amount not less than 5% of any outstanding balance effective on the date this Contract is executed.

2.20. Child Protection Law Reporting Requirements

- a. The Contractor shall ensure that all employees who have reasonable cause to suspect child abuse or neglect shall report any suspected abuse or neglect of a child in care to MDHHS for investigation as required by Public Acts of 1975, Act Number 238.
- b. Failure of the Contractor or its employees to report suspected abuse or neglect of a child to MDHHS shall result in an immediate investigation to determine the appropriate corrective action up to and including termination of the contract.
- c. Failure of the Contractor or its employees to report suspected child abuse or neglect two or more times within a one-year period shall result in a review of the contract agency's violations by a designated Administrative Review Team, which shall include the Director of CSA and the Director of DCWL or its successor agency, that shall consider

mitigating and aggravating circumstances to determine the appropriate corrective action up to and included license revocation and contract termination.

2.21. The Division of Child Welfare Licensing (DCWL)

DCWL shall be responsible for review of the Contractor's compliance with the Contract and any court orders, via an Annual Compliance Review (ACR) and Special Investigations. DCWL may review, analyze and comment on all activities covered within the terms of the Contract or court order. If the ACR of Special Investigation reveals that the Contractor has not complied with the requirements of this Contract or court order, the following procedures shall be implemented:

- a. DCWL shall notify the Contractor of the Contract or court noncompliance. This notification shall occur verbally during an exit conference, and be followed with a written report of the findings. The Contractor may request a meeting to discuss and examine the identified Contract or court noncompliance.
- b. Following the identification of the Contract or court noncompliance, DCWL will request the Contractor submit a Corrective Action Plans (CAP) to DCWL within 15 days of receiving the written report of findings.
- c. After the Contractor's CAP has been reviewed and approved by DCWL, the Contractor's compliance with the CAP shall be reviewed in accordance with time frames established by DCWL in the written notification of acceptance of the CAP.
- d. Based on the severity or repeated nature of cited violations, a recommendation may be made by DCWL at any time to place a moratorium on new placements with the contractor or to cancel the contract. If either recommendation is made, a meeting will be convened with the director of the contracted agency, the division director of DCWL and the Children's Services Agency (CSA) director or designee to provide the contractor with the opportunity to provide documented information on why the moratorium or cancellation of the contract should not occur.
- e. If a moratorium on new placements is put into place, it shall be for a minimum of 90 days to allow the contractor to remedy cited violations and comply with any agreed on CAP. If the cited violations are not corrected during the period of the moratorium or additional serious violations are cited, consideration shall be given to cancellation of the agency's contract. Final decisions regarding the cancellation of a contract shall be made by the CSA director.

2.22 Corrective Action Requirements

If a program review by MDHHS reveals a lack of compliance with the requirements of this Contract, the Contractor shall:

- a. Meet with MDHHS to discuss the noncompliance.
- b. Prepare a corrective action plan within 30 days of receiving MDHHS' written findings.
- c. Achieve compliance within 60 days of receipt of MDHHS' approval of the corrective action plan (unless other time frames are agreed to in writing by MDHHS) or MDHHS may terminate this Contract, subject to the standard contract terms.

3. MDHHS RESPONSIBILITIES

3.1. Payment

MDHHS shall make payments to the Contractor pursuant to MCL 17.51-17.57 and State of Michigan Financial Management Guide, Part II-Accounting and Financial Reporting, Chapter 25, Section 100, "Prompt Payment for Goods and Services."

Per Diem Unit Definition: One unit equals the initial calendar day of placement of a referred child or any 24-hour period thereafter where a child is receiving basic supervision and care, and any specialized services as defined by this Contract. The last day of a child's placement shall not be counted as a unit.

The Contractor shall be reimbursed for care on a per diem basis for each child

Program Name	xx
Bridges Provider Number	xx
MiSACWIS Provider Number	xx

The per diem rate(s) for services provided under this Contract shall be

<u>Service Code</u>	<u>Per Diem Rate</u>	<u>Effective Date</u>
xxx	\$xxx	xxx
xxx	\$xxx	xxx
xxx	\$xxx	xxx

For County Child Care Fund funded children, MDHHS is not statutorily obligated to make payment to the Contractor. Payment for these children is the statutory responsibility of the County. If payment is not made, MDHHS shall make reasonable efforts to assist the Contractor to obtain payment.

3.2. Performance Evaluation and Monitoring

Contract Number: MA xxx

The services provided by the Contractor under this Contract shall be evaluated and assessed at least annually by MDHHS on the basis of the criteria outlined in Section 2.11.

MDHHS shall perform contract monitoring through activities such as:

- a. Auditing expenditure reports.
- b. Conducting on-site monitoring.
- c. Reviewing and analyzing reports.

4. INSERT Standard Contract Terms

5. INSERT Addendum Federal Provisions

Attachment A: Glossary of Acronyms and Forms

ABPN:	American Board of Psychiatry and Neurology
AWOLP:	Absent Without Legal Permission
BBI:	Building Bridges Initiative
DCWL:	Division of Child Welfare Licensing
CANS:	Child Assessment of Needs and Strengths
FOM:	Foster Care Online Manual
GED:	General Education Development
IEP:	Individualized Education Plan
IETP:	Individual Education Program Team
LGAL:	Legal Guardian ad Litem
MiSACWIS:	Statewide Automated Child Welfare Information System
PAFC:	Placing Agency Foster Care
RPU:	Regional Placement Unit

DHS-815-Non DHS:	Staff Profile Security Contract
DHS-65:	Children's Foster Care Initial Service Plan
DHS-66:	Updated Service Plan
DHS-69:	Foster Care Juvenile Justice Action Summary
DHS-221:	Medical Passport
DHS-365:	Residential Initial Treatment Plan
DHS-366:	Residential Updated Treatment Plan
DHS-626-YA:	Foster Care Payment Authorization
DHS-1643:	Psychotropic Medication Consent
DHS-2840:	Prescription Information Form
DHS-3307:	Initial Placement Outline and Information Record
DHS-3377:	Clothing Inventory Checklist
DHS-3600:	Individual Service Contract