



REVIEWED  

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LEGAL COUNSEL

**DESCHUTES COUNTY SERVICES AMENDMENT #1  
DOCUMENT NO. 2023-090  
AMENDING DESCHUTES COUNTY CONTRACT NO. 2022-007**

This Amendment #1 (“Amendment”) is entered into and effective as of January 1, 2023 (the “Amendment Effective Date”), by and between DESCHUTES COUNTY, a political subdivision of the State of Oregon, acting by and through its Health Services Department, Behavioral Health Division (“County”) and St. Charles Health System, Inc., a nonprofit corporation organized under the laws of the State of Oregon, on behalf of itself and its wholly owned subsidiaries and affiliates (“Contractor”), is amended, effective upon signing of all parties, as set forth below.

**Recitals**

**WHEREAS**, the parties entered into Deschutes County Contract No. 2022-007, on January 1, 2022 (the “Contract”), pursuant to which Contractor provides services pursuant to Exhibit 1 attached hereto (“Services”) to County; and

**WHEREAS**, County’s performance hereunder is conditioned upon Contractor’s compliance with provisions of ORS 279B.220, 279B.225, 279B.230, and 279B.235, which are hereby incorporated by reference. In addition Standard Contract Provisions contained in Deschutes County Code Section 2.37.150 are hereby incorporated by reference. Contractor Both parties certify that the representations, warranties and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment; and

**WHEREAS**, the above listed Contract is amended as follows (new language is indicated by **bold** font and deleted language is indicated by ~~strikeout~~ font); and

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

**Agreement**

1. **Recitals.** The Recitals are incorporated into the Contract.
2. **Extension of Term.** The Contract shall be revised so the term of the Contract shall commence upon the Amendment Effective Date and except as otherwise specifically provided herein, shall terminate on ~~December 31, 2022~~ **June 30, 2023** (“Term”), unless earlier terminated or renewed in accordance with the Contract.
3. **Time is of the Essence.** The parties agree that time is of the essence in the performance of this Amendment.
4. **Section 2. Contractor’s Services.** Contractor shall provide the services outlined in Exhibit 1 of this Contract (the “Services”). Maximum compensation shall not exceed ~~\$330,000~~ **\$495,000** in accordance to the terms outlined in Exhibit 1.
5. Exhibit 1, is hereby amended as revised Exhibit 1 and is attached hereto and incorporated herein by this reference.
6. **Effect of Amendment.** Except as modified by this Amendment, the terms and conditions of the Contract shall remain in full force and effect.

(Signature page to follow)

**DESCHUTES COUNTY SERVICES AMENDMENT #1**  
**DOCUMENT NO. 2023-090**  
**AMENDING DESCHUTES COUNTY CONTRACT NO. 2022-007**

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of the dates set forth below their respective signatures. The persons executing this Amendment warrant that they have the authority to bind County and Contractor to the terms and conditions embodied in this Amendment.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2023

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
ANTHONY DEBONE, Chair,

\_\_\_\_\_  
PATTI ADAIR , Vice Chair

\_\_\_\_\_  
PHIL CHANG , Commissioner

ATTEST:

\_\_\_\_\_  
Recording Secretary

St. Charles Health System, Inc.

**Signature:**

DocuSigned by:  
*Matt Swafford*  
C2F1BE9DB1344AB...  
\_\_\_\_\_  
Matt Swafford

**Email:**

\_\_\_\_\_  
SVP and CFO

**Title:**

\_\_\_\_\_  
2/20/2023

**Date:**

EXHIBIT 1  
DESCHUTES COUNTY SERVICES CONTRACT  
Contract No. 2022-007  
PES & Sage View  
STATEMENT OF WORK AND PAYMENT TERMS

**1. Principles and Considerations:**

- a. The goal of Acute Care Psychiatric Services is the stabilization, control, and amelioration of acute dysfunctional symptoms or behaviors that result in the earliest possible return of the individual to a less restrictive environment per OAR 309-032-0870 (2).
- b. Deschutes County Health Services shall assume fiduciary accountability to the Oregon Health Authority for the Contract funds paid for acute care behavioral health service needs of indigent Central Oregon residents.
- c. Each of the three (3) counties (Crook, Deschutes, and Jefferson, collectively the "Counties") shall have designated diversion funds to assist with temporary housing costs, transportation fees, and medication costs.
- d. Counties and Contractor shall meet and collaborate with regards to: sharing information, claims data reconciliation, developing performance metrics and establishing a forum for regular communication.
- e. Counties and Contractor agree to serve on the Regional Acute Care Council to ensure appropriate and effective care and treatment. The council shall meet to assess and collaboratively plan for improving care and treatment to patients, including patients into and out of the service, per OAR 309-032-0870 (12).

**2. Services:**

- a. Contractor shall provide Acute Care Psychiatric Services, within Contractor's capacity and capabilities, to individuals age eighteen (18) years and older, in Crook, Deschutes, and Jefferson County who, due to a mental disorder cannot resolve his/her problems in a less restrictive, community setting and, who require the level of protection and security available in an acute 24-hour setting and who are indigent. Indigent is defined as the following:
  - i. At the time of admission, individual has no third-party insurance and has no ability to pay as defined by federal guidelines; or
  - ii. At the time of admission, individual has exhausted their Medicare and/or Commercial insurance benefits for behavioral health; or
  - iii. During the course of care, individual has exhausted all ability to pay, as outlined in paragraph i. and ii. of this paragraph 2, for services under this Contract and is receiving involuntary treatment.
- b. Contractor shall comply with all applicable State and Federal laws and regulations and provisions as incorporated herein as if fully set forth in this place.

**3. Specific Services:** Specifically, Contractor shall:

- a. Contractor shall provide twenty-four (24) hours a day, three hundred and sixty-five (365) days a year services. Contractor shall notify County Designee immediately regarding any impediment that materially affects Contractor's ability to provide the Services.
- b. Contractor shall provide emergency medical care if needed to individuals served under this contract. Contractor shall promptly notify the Crisis Manager/Supervisor if such care requires a transfer from Contractor's facility.
- c. Contractor agrees to not charge Counties for transport costs between the Psychiatric Emergency Services unit at St. Charles Health System, Inc. and Sage View.
- d. Contractor shall collaborate with the Behavioral Health Director - to determine utilization outcomes under this Contract.
- e. Contractor shall permit Director's Designees on-site access to individuals, medical records, and Contractor staff providing care to individuals served under this Contract.

- f. Contractor shall comply with generally accepted practices and procedures for coordination of benefits and third-party liability recovery and assist the Director's Designee and any other state agencies with such efforts.
- g. Parties shall collaborate in the resolution of grievances under this contract, including timely response to a request for information regarding such matters.
- h. Contractor and Director's Designees shall maintain in good standing all licenses, permits, certifications and accreditations required by law and regulation at all times during the term of this Contract. Contractor shall require all agents, employees and all subcontractors have and maintain in good standing all licenses, permits, certifications and accreditations required by law and regulation and upon request, provide Director's Designee with written evidence of the existence and good standing of all aforementioned licenses, permits, certifications and accreditation. Contractor shall make every effort to notify the Director's Designee as soon as possible but not later than five (5) business days whenever action of any kind is initiated against Contractor such as: (a) the suspension, restriction or loss of the Contractor's or subcontractor's license, permit, certification or accreditation, or (b) the imposition of any sanctions against any of the foregoing under Medicaid or any other government program; and Contractor shall immediately notify Director's Designee if any such action is initiated against any subcontractor.
- i. Contractor shall track all admissions and inpatient stays that utilize funding under this Contract and collaborate with the Director's Designee on reconciliation for individuals whose inpatient stay was covered under this Contract.
- j. Contractor shall provide Utilization Data Performance Metrics quarterly as follows:
  - i. Discharge Planning: Annual 5% improvement of Warm Handoff from previous year.
  - ii. Acute Care Patient Harms within Department: <10 Events in calendar year that meet the hospital definitions of acute care patient harm: ADE Hypoglycemia, ADE Opioids, CDIFF, Falls with Injury, CAUTI, CLABSI, VAE, MDRO, SSI, DVT/PE

#### 4. Payment for Services:

- a. Maximum Compensation. The Maximum compensation for services outlined in this Exhibit 1 shall not exceed ~~\$330,000~~ **\$495,000** (Maximum Compensation stated is inclusive of data performance metric being met). In consideration of aligning the contract from fiscal year (July to June) to calendar year, payment schedule is detailed as follows:
- b. County shall pay a ten percent (10%) data performance metric on the total amount paid during the contract period, not to exceed ~~\$33,000~~ **\$49,500** for the term of the Contract. Contractor shall provide quarterly data as specified in section 3 (k) and invoice County for data performance metric with final quarterly invoice.
- c. Contractor agrees that payments will be applied to cover charges associated with the admission of indigent individuals for Sage View and PES services, including but not limited to room rate, associated staff time and professional fees (including psychiatrist/MD), psychiatric medications, lab work and medical care.
- d. The Parties agree the maximum compensation may not cover all costs associated with Services provided. Funds provided in this Contract shall be used to help support room rate, personnel costs including associated staff time, professional fees, psychiatric medications, lab work, medical care, supplies and other expenses as applicable to Services outlined in this Contract and that Contractor shall provide a quarterly accounting reflecting the total amount of expenses (detailing which expenses) and the payments applied.
- e. Parties agree funds may only be used for the delivery of the service or services set out in this Contract unless written permission is granted to use the funds for other services in accordance with this Contract.
- f. Parties agree that County shall make quarterly payments upon receipt and approval of Contractor's invoice. Effective January 1, **2022** Contractor shall invoice County quarterly per calendar year (invoice due March 15, July 15, October 15 and January 15) include a count of the total number of indigent bed days per individual per quarter. **Effective January 1, 2023, Contractor shall invoice County quarterly (invoice due March 15, July 15) include a count of the total number of indigent bed days per individual per quarter.** Cumulative invoices shall not exceed the amount of ~~\$330,000~~ **\$495,000** for the contract term. Contractor shall invoice County for quarterly data performance metric with final invoice in the amount not to exceed ~~\$33,000~~ **\$49,500**.

- g. County may be required to modify the maximum compensation through amendment of this Contract. If this maximum compensation amount is decreased or increased by amendment of this Contract, the amendment shall be fully effective before Contractor performs work subject to the amendment.
- h. Notwithstanding any other payment provision of this Contract, should Contractor fail to submit required reports, itemized receipts or documentation as outlined in this Contract, or fail to perform or document the performance of contracted Services; County shall immediately withhold payments under this Contract or reject part or all of the Contractor's invoice for payment.
- i. In the event that a statutorily required license or insurance is suspended or not extended to Contractor, County's obligation to provide reimbursement for Contractor's Services rendered without the necessary license or insurance will cease on the date of expiration or suspension of license and/or insurance.