

ANNEX A
County Contract

Chapter 51 of the Public Laws, or P.L., of 1989 amended Chapter 531 of P.L 1983 that had established the Alcohol, Education, Rehabilitation and Enforcement Fund, or AEREF, as a non-lapsing, revolving fund “only [to] be distributed to the counties...pursuant to the formula set forth in section 5 of this [1983] act...to develop and implement an annual comprehensive plan for the treatment of alcoholics and drug abusers.” Annex A establishes the requirements of a county government that seeks to receive an allotment of AEREF and state discretionary fund, or SDF, dollars. The requirements in the Annex A form a contract between the Division of Mental Health and Addiction Services, or DMHAS, and the applicant county. The county authority shall adhere to all Contractual requirements stipulated herein.

Section I: Requirements of the County Authority

A. General

1. The county governing body shall designate a “county agency or individual”¹ whose “primary responsibility” shall be “planning services and programs for the care or treatment of alcoholics and drug abusers.” [C.26:2b-33, 4.a.]
2. The county governing body shall, in conjunction with the designee, “submit to [DMHAS] and the Governor’s Council on Alcoholism and Drug Abuse [or GCADA] an annual comprehensive plan for the provision of community services to meet the needs of alcoholics and drug abusers” [C.26:2b-33, 4.a.] that “shall demonstrate linkage with existing resources which serve alcoholics and drug abusers and their families.” [C.26:2b-33, 4.a.]
3. The county authority shall utilize AEREF and SDF dollars only in accordance with the county comprehensive plan, or CCP.

B. Comprehensive Plan and Process

1. The county authority shall designate “a county agency or individual” qualified by training and experience to direct the development of a continuous, community-based, comprehensive planning process that produces:
 - a. a four-year CCP that clearly states the county’s goals and objectives for both the maintenance and development of community prevention, early intervention, treatment and recovery support services and programs for the care or treatment of persons afflicted with the chronic disease of alcohol or drug abuse disorder,
 - b. a resource allocation plan that supports the achievement of the CCP’s goals and objectives,
 - c. an RFP that implements the CCP’s planned allocation of resources, a.k.a. investments,
 - d. a performance monitoring plan for both county-provided services and sub-contracted service providers,
 - e. ongoing support for and cooperation with evaluation research DMHAS may commission,
 - f. an annual progress report in each of the four years of the CCP that reports to DMHAS on the achievement of the county’s annual objectives and addresses the currency of the CCP throughout the planning cycle.

C. Staffing Requirements For The Comprehensive Planning Process

1. The county authority shall provide all staffs, facilities, equipment and supplies required to both develop and implement the planning process described in B.1.
2. The county authority shall take special notice of the professional skills required to fulfill the terms of item

¹ a.k.a. the County Alcoholism and Drug Abuse Director, or CADAD, in the case of an individual.

B.1 including but not limited to skills in:

- a. Designing and administering community-based planning processes,
- b. Communicating and collaborating with diverse populations of stakeholders, residents, and government officials,
- c. Developing a CCP suitable for publication on the county's website,
- d. Using primary and secondary source statistics and statistical reasoning,
- e. Collecting, interpreting, and applying qualitative data for planning purposes,
- f. Constructing "logic models" that display the logical relationships among goals, objectives, investment strategies and community outcomes presented in the plan,
- g. Writing, revising, and proof-reading technically demanding documents according to protocols and technical assistance provided by DMHAS,
- h. Displaying the planned allocation of financial resources and the quarterly utilization of same via an automated Excel template provided by DMHAS,
- i. Budgeting for county AEREF contract reapplication using the Contract Information Management System, or CIMS, provided by DMHAS,
- j. Monitoring plan implementation

3. In light of the broad list of skills identified in C.2 as being required by the activities outlined in B.1., the county authority shall support the designated "county office or individual" responsible for fulfilling the requirement of B.1 by authorizing the designated "county office or individual" to

- a. Draw upon county personnel able to supply one or another of the required skills for limited, specialized assistance,
- b. Publish on the county's website the compliance certified CCP and the annual progress reports as adopted in public session by a majority vote of the county's governing board.

4. If a required skill cannot be supplied by other existing county personnel, the county shall purchase the skill from private consulting professionals.

5. The county authority shall present the credentials of any planning consultant to DMHAS for review and certification that the intended consultant possesses the educational background, training and skills required and is appropriately engaged by county subcontract for a limited term via a purchasing and contracting process that complies with the terms of the this contract and state purchasing rules.

D. Production and Certification of the CCP

1. The county authority shall draft and submit a four-year CCP, a corresponding planned resource allocation grid, or PRAG, and a corresponding draft Request for Proposal (RFP) in accordance with all DMHAS required timeframes and deadlines to the DMHAS Director, Office of Planning, Research, Evaluation, and Prevention, or PREP, in accordance with *New Jersey P.L 1989, Chapter 51* and DMHAS quality assurance guidelines.

2. The county authority recognizes and agrees that no request for proposals pertaining to the provision of substance abuse services using state resources provided by the AEREF or SDF may be published prior to adoption by the county authority of a state certified CCP. The county authority further agrees to coordinate its RFP procedures with the DMHAS timeline for the production and review of the CCP and the annual plan update and progress reports.

3. The County Comprehensive Plan shall:

- a. use the most current quantitative and qualitative data available to:
 - i. assess the current and projected substance abuse service need and demand of county

- residents, called “effective demand for services”;
- ii. assess the current and projected availability and accessibility of substance abuse services to county residents with effective demand for services, called “effective service capacity or supply”;
- iii. describe the size and causes of gaps between effective service demand and capacity by service type paying special attention to the impacts of the gaps on the effective service demands of youth, women, DUI arrestees, persons in the workforce, disabled persons, criminal offenders, seniors, and persons with both substance abuse and mental health disorders;
- iv. describe the strategies available to the county for closing the gaps by service type, including those that unify or integrate county service investments with those of other county, state, or federal agencies or private entities intending to reduce the same or similar shortfalls in effective capacity;
- v. describe the benefits for county residents of reducing the identified gaps by service type, paying special attention to the benefits for the aforementioned subpopulations,
- b. establish goals and set annual objectives based upon the assessments and strategic planning identified in 3.a that will govern the use of AEREF and SDF dollars in each of the four dimensions of the continuum of care, namely, prevention, early intervention, treatment and recovery support services, over the course of the planning cycle,
- c. model the logical relationship of service goals to annual objectives to implementation strategies to funds allocated for implementation to expected number of persons served to measurable community benefits obtained annually and cumulatively.

E. Annual Progress Reporting

1. The county authority shall report to DMHAS annually on the progress made towards implementing substance abuse prevention, early intervention, treatment and recovery support goals, objectives, strategic utilization of resources, and numbers of clients served. Progress reports shall be sent to the Director, Office of PREP in a format to be provided by same.
2. If the county authority proposes a change to the CCP in any annual progress report, DMHAS shall review the proposed change for compliance with Chapter 51, P.L. 1989 and DMHAS quality assurance standards. The county authority shall submit the proposed change both as it appears in the annual update progress report and as it would appear in an appropriately amended Logic Model. Upon compliance certification by DMHAS, the county may adopt the change and the amended Logic Model for use in the subsequent contract year and thereafter.
3. The county authority shall report, in writing, any “sudden” unanticipated but necessary changes to implementation methods or strategies of the CCP to the Director, Office of PREP as they occur. Any such notification report shall include a revised logic model incorporating the change at issue. DMHAS shall review the change for compliance with Chapter 51, P.L. 1989 and DMHAS quality assurance standards.

F. Additional Requirements of the County Authority Participating in the AEREF and SDF Program

1. **County IDRC Requirement:** The county authority shall identify the IDRC that will serve county residents during the planning cycle. Section 14 of P.L. 1989, c.51 (C.26:2B-33), subparagraph 4.b.
2. **County Match Requirement:** The county authority “shall contribute a sum not less than twenty-five

(25%) percent of its AEREF allotment to fund community services for alcoholics pursuant to the county's annual comprehensive plan." Section 15 of P.L. 1989, c.51 (C.26:2B-34), subparagraph 5.b. The permissible uses of the county match dollars are further described in Addendum A, "Accounting Rules", paragraph 1.

3. **Prevention Education Requirement:** The county authority is to commit 11.77% percent of its AEREF allocation for the provision of education services consistent with Section 14 of P.L. 1989, c.51 (C.26:2B-33), subparagraph 4.c. With specific approval of the DMHAS, the county authority may opt to apply its prevention education dollars to the prevention of relapses among patients discharged from clinical treatment in order to sustain patients in the "recovery zone."

G. **Evidence-based Programming Requirement** In calendar year 2016, the county shall **move in the direction of** using AEREF and SDF dollars to obtain and deploy evidence-based programs for all prevention, early intervention, treatment and recovery support services by the start of calendar year 2017.

H. Establishment of a Local Advisory Committee on Alcoholism and Drug Abuse

1. The county authority, in accordance with P.L. 1989, Chapter 51, Section 14, *C.26:2B-33*, subparagraph d, shall, "establish a Local Advisory Committee on Alcoholism and Drug Abuse (LACADA) to assist the governing body in development of the annual comprehensive plan."

"The LACADA shall consist of no less than 10 and no more than 16 members and shall be appointed by the governing body. At least two of the members shall be recovering alcoholics and at least two of the members shall be recovering drug abusers. The committee members shall include the county prosecutor or his designee, a wide range of public and private organizations involved in the treatment of alcohol and drug-related problems and other individuals with interest or experience in issues concerning alcohol and drug abuse. The composition of the LACADA shall, to the maximum extent feasible, represent the various socioeconomic, racial and ethnic groups of the county in which it serves."

2. The county authority shall ensure that the LACADA shall:

a. maintain membership at a level not less than 10 and not exceeding 16.

~~a.b.~~

~~b.c.~~ maintain copies filed at the offices of the county authority of all meeting sign-in sheets, agendas, minutes, funding recommendations and RFPs for the provision of planned alcohol and drug abuse services corresponding to the CCP; these shall be made available for review during the annual site visit with the DMHAS County Planning Program Monitor,

~~c.d.~~ develop and adhere to county approved by-laws that shall include at a minimum the requirements for membership as set forth above, and shall also include the following stipulations with respect to membership:

1) The county designated CADAD shall not serve as a member of the LACADA,

2) a maximum of thirty percent, 30%, of the LACADA's total voting membership may be county employees that serve on the LACADA as voting members provided that they recuse themselves from voting upon any matters in which they may have a real or perceived conflict of interest.

~~d.e.~~ establish a "County Alliance Steering Subcommittee," or CASS, in accordance with the

membership and operational requirements stipulated in N.J.S.A.,C.26:2BB-8.

3. The county authority shall notify the DMHAS, Office of PREP in writing within three business days if LACADA membership falls below 10 active members indicating as well how the vacancies have impacted the aforementioned representational characteristics of the LACADA. Notification shall include a detailed plan with time frames for implementation that informs the DMHAS how the county authority will restore and maintain LACADA membership.

I. Unification Planning and Collaboration Across State and County Planning Bodies

1. The county authority shall require the designated county agency or individual “CADAD”, the LACADA and its CASS to establish and maintain collaborative working relationships with each other and with other state and county planning bodies whose responsibilities bear upon the:
 - a. successful development of the full continuum of care for residents with alcohol and drug abuse disease and, consequently, the
 - b. development of the CCP.
2. Said relationships shall minimally consist of regular and frequent communications throughout the contract calendar year that promote mutual sharing of information needed to “demonstrate” and then act upon linkages among a wide range of existing state and local government and private resources which serve alcoholics and drug abusers and their families as per the requirements of *New Jersey P.L 1989, Chapter 51, N.J.S.A. C.26:2b-33, Section 14, 4.a.* and in accordance with DMHAS quality assurance guidelines.
3. The county authority shall seek to coordinate planned resource allocation among the following entities and such others as the county or the DMHAS may from time to time propose:
 - a. New Jersey Behavioral Health Planning Council,
 - b. Governor’s Council on Alcoholism and Drug Abuse
 - c. Interim Management Entity
 - d. Human Services Advisory Council,
 - e. Youth Services Commission,
 - f. Mental Health Board,
 - g. Interagency Coordinating Committee,
 - h. Regional Prevention Coalition
 - i. “Mobilizing Action Through Planning and Partnership” Task Force
4. The purpose of the required collaboration shall be to both share planning information and coordinate planning actions among the aforementioned entities. Collaboration shall include regular attendance by the CADAD at the monthly meetings of the state Behavioral Health Planning Council, establishing liaison relationships among the aforementioned county agencies, organizing occasional joint meetings for the purpose of exchanging and reviewing summary reports on plans, operations, issues, assessments, policy decisions, calendars, etc.

J. Solicitations of Third Party Service Subcontracts

1. All treatment providers, without exception, shall be licensed by DHS-Office of Licensing to provide the contracted or subcontracted services at the time of entering into any contractual relationship with the county authority.
2. All contractors and subcontractors and county-operated programs funded under this contract shall comply with regulations at *N.J.A.C. 8:42A-1 et seq.* and *N.J.A.C. 10:161B-1 et seq.* that establish standards for licensure of substance abuse treatment facilities.
3. All contractors and subcontractors and county-operated programs funded under this contract shall comply with regulations at *N.J.A.C. 13:34C-1 et seq.* that establish minimum acceptable standards of education, examination, experience, ethics and competent practice to encourage and promote quality treatment and rehabilitation for clients presenting with drug and alcohol addiction related disorders.
4. The county authority shall develop and maintain a formal process for soliciting, receiving and reviewing competitive proposals or bids on service subcontracts for all alcohol and drug abuse services required by the CCP and the corresponding County Comprehensive Alcohol and Drug Abuse Services contract. The county shall adhere to the DMHAS/DHS procurement rules. This shall include a process for:
 - a. public announcement of the availability of funds for alcohol and drug abuse services;
 - b. committee review by the LACADA of all competitive proposals/bids;
 - c. documentation of committee review and funding recommendations;
 - d. allocation of funds based on the DMHAS-approved CCP.
5. The County Authority shall forward a description of its bid solicitation and selection process, including the calendar for all steps in the process to DMHAS.
6. When transferring funds to any other municipal, state or county entity, there shall be an agreement such as an MOA that details the transfer of funds and the scope of services. The county authority will monitor those services as required for subcontracts.

K. Requirement to Obtain DMHAS Approval of Subcontracts, MOAs, or MOUs

1. The County Authority shall submit copies of all executed subcontracts or other third party service provision agreements, **such as Memoranda of Agreement (MOA) or Memoranda of Understanding (MOU)**, to the DMHAS Office of PREP **no later than April 15 of the contract year** for which services are being purchased.
2. Funds will not be released to the county for any services for which the executed subcontracts or agreements have not been submitted to, and approved by the DMHAS Office of PREP.
3. New Jersey DMHAS will not honor any county request for reimbursement of services rendered by any third party service provider unless and until the county's agreement with said third party service provider has been approved by the DMHAS Office of Planning, Research, Evaluation, and Prevention.
4. Expenditure reports requesting reimbursement for services provided without a DMHAS-approved subcontract or other written agreement will be returned to the county and will not be reimbursed.
5. The county authority shall ensure that the DMHAS Office of Planning, Research, Evaluation, and Prevention approves any and all subcontracts, MOAs, MOUs or any other instrument of agreement with each third party service provider prior to the service start date.

L. Fiscal Requirements

1. The county authority shall assure that all subcontracted third party service providers have been informed and apprised of the applicable Cost Principles governing subcontracts as appropriate under one or more

of the following general categories:

- a. State and Federal Governments
 - b. Non-profit Organizations
 - c. Educational Institutions
 - d. Hospitals
 - e. For Profit Organizations
2. The county authority shall maintain records of the county process for procuring any third party services. This process shall ensure that the county authority, or contractor, and any third party treatment service subcontractor are required to report admission, discharge, and other required data elements on the New Jersey Substance Abuse Monitoring System (NJSAMS).
 3. The county authority shall monitor subcontractor performance to verify that services invoiced under this contract have been provided.
 4. The county authority shall, in each quarter of the contract year, report the following items to DMHAS by entering into the expenditure report section of the county's PRAG the:
 - a. total cost of its direct service provision charged against this AEREF and SDF contract,
 - b. sum of service invoices it received from each subcontracted service provider,
 - c. total number of residents that it admitted to its direct service program and charged against the county AEREF and SDF account,
 - d. total number of residents each subcontracted service provider admitted to its care
 5. It shall be the county authority's responsibility to establish its own administrative procedure for collecting this fiscal data and entering it into the aforementioned PRAG on the correct line for each subcontractor in the "Quarterly Expenditure Report" section of the PRAG.
 6. The county authority shall monitor all third-party expenditures and ensure that at a minimum an annual financial and compliance audit is conducted and submitted to the DMHAS Office of PREP no later than 120 days after the expiration of the contract term.

7. "Payer of Last Resort" Requirement

The county authority as a direct service provider or as a purchaser of treatment services from third party providers shall verify that services funded with AEREF or SDF dollars are not reimbursable by other federal or state funding sources, including Medicaid, federal Block Grant or other special grant dollars or budgeted state or fee-for-service contracts, or by private insurance. Any discrepancies discovered via county monitoring must to be reported to the DMHAS Director, Office of PREP.

8. Program Monitoring Requirement

- A. The county authority shall monitor all third-party expenditures and ensure that at a minimum:
 - 1) An annual financial and compliance audit is conducted and submitted to the DMHAS Office of PREP no later than 120 days after the expiration of the contract term.
 - 2) An annual on-site programmatic and fiscal records review is conducted to ensure that adequate programmatic and financial controls are in place and that the agency is in compliance with the terms and conditions of the prime contract as it relates to specific requirements contained in Annexes A and C of this contract.
- B. The county authority shall conduct annual site visits:
 - 1) using the DMHAS Annual Site Visit Monitoring Review Form, or another monitoring instrument approved by the DMHAS Director, Office of PREP.
 - 2) Copies of the completed site visit monitoring review forms are to be submitted to the DMHAS

- Director, Office of PREP within 30 days of report completion.
- 3) Copies of the reports are to be retained in the County Alcohol and Drug Abuse Director's office for at least three (3) years;
- C. The county authority shall conduct additional programmatic reviews of subcontractors if one or more of the indicators listed below become evident. Copies of additional programmatic reviews are to be submitted to the DMHAS Director, Office of PREP within 30 days:
 - 1) non-compliance with timely submission of quarterly progress or financial reports;
 - 2) underutilization of service levels, as agreed to in the subcontract;
 - 3) unqualified addictions staff, or a lack of continuing education plans for direct service staff, as stated in the subcontract;
 - 4) unmet corrective action plan from previous monitoring cycle;
 - 5) negative community or client feedback.
 - D. When requested, programmatic review of subcontractors is to include cooperation and collaboration with the DMHAS Director, Office of PREP.
 - E. The county authority shall notify the DMHAS Director, Office of PREP of scheduled trainings or technical assistance sessions offered to subcontractors.
 - F. The county authority shall require all subcontracted treatment providers to submit monthly rosters of all clients receiving services under this contract to the county authority using the DMHAS approved roster form. The county authority shall maintain these rosters on file.
 - G. Subcontracting for treatment services outside of the State of New Jersey is prohibited without prior written approval from the DMHAS Deputy Director. Requests for waivers must be in writing and demonstrate that services cannot be procured within the state of New Jersey. Out-of-state agencies must have appropriate licensure and accreditations, be accessible to county clients, and supply required programmatic and financial reports. Waiver request must be submitted to the DMHAS Director of PREP prior to executing any contracts with out-of-state provider agencies and no less than one month prior to the DMHAS contract application due date. If out-of-state waivers are granted by the DMHAS, all subcontracting requirements apply.
 - H. The county authority, if providing direct services, and subcontracted service providers shall notify the CADAD of any changes in replacing key Personnel including the Executive Director, Medical Director and/or Director of Substance Abuse Counseling funded under or performing duties related to this contract, and to notify DMHAS Director, Office of PREP of any such changes as required by *N.J.A.C. 8:42A-1 et seq.* and *N.J.A.C. 10:161B-1 et seq.*

Section II: Requirements of County Authorities that Provide Direct Services

1. A county authority that provides direct client services hereinafter shall be referred to as a county contractee.
2. A county contractee shall have a current DMHAS license to provide the contracted substance abuse treatment services at each site. The county authority, shall enter into a formal, written agreement with the (county contractee) service delivery entity (i.e., MOA) that clearly states the terms and conditions of the agreement, including adherence to service utilization requirements. The service delivery entity shall adhere to the terms of this Annex A, including applicable practitioner and facility licensure regulations.
3. The county contractee must develop a system for allocating, tracking and differentiating by payer revenue, expenses, services and capacity which provides a comprehensive view of its service programs,

especially those that include public funding, in a format to be provided by DMHAS Director, Office of PREP. The county authority shall also require the same for all of its subcontractees.

4. A county contractee shall establish minimum levels of service for all funded programs and maintain an active caseload of county eligible clients at all times throughout the contract year.
 - a. Underutilization is a serious compliance issue that could result in the withdrawal or reduction of contract funds if the contractee, upon notice from the DMHAS Director, Office of PREP is unable through marketing and community outreach to increase the number of clients served to the funded level.
 - b. The contractee must notify the DMHAS Director, Office of PREP within five (5) working days, whenever the level of service is below 95% of the contract requirement for 30 days or more.
 - c. The county authority shall require these same minimum-levels-of-service requirements for all of its advance pay treatment service subcontracts.

Section III

A. County Authorities that Provide Services Directly (County Contractee) and through Subcontractees

1. The county contractee and subcontractee shall comply with the programmatic and fiscal terms and conditions described and approved by the DMHAS and/or the county, as applicable, in its contract (subcontract) application, and any other standards or special terms or conditions noted in the contract (subcontract) award. Failure to carry out the program as described in the approved application may result in suspension, termination and/or ineligibility for future funding.
2. The county contractee and subcontractee shall comply with the electronic security and privacy standards set forth under the *Health Insurance Portability and Accountability Act of 1996 (HIPAA)* and shall adhere to the standards prescribed by the *Confidentiality of Alcohol and Drug Abuse Patient Records, (42 CFR, Part 2)*. Client records must be maintained for a minimum of 10 years in accordance with *N.J.S.A. 26:8-5 et seq.* and disposed of in the manner prescribed therein. Information obtained from NJSAMS will be made public only as aggregate data which cannot be used to identify any person receiving substance abuse treatment.
3. The county contractee and subcontractee shall accurately complete the NJSAMS modules, including admission and discharge screens, within three (3) days post admission and three (3) days post discharge for any new or continuing care client who is changing level of care placement. The NJSAMS discharge screens must be completed for all clients who have completed treatment at the level of care determined at treatment admission whether the client has completed the treatment plan or not.
4. The county contractee and subcontractee shall ensure that all services provided will be documented and maintained in individual client files.
5. The county contractee and subcontractee shall ensure that all clinical and fiscal program records for the current and most recent two (2) contract periods are maintained on-site in the administrative or clinical office, and can be accessed from NJSAMS for client records reported in NJSAMS.
6. The county contractee and subcontractee shall retain, for a period of no less than three (3) years, records of all expenditures for equipment, software, labor and service costs associated with NJSAMS reporting requirement compliance under this contract (subcontract).
7. The county contractee and subcontractee shall comply with regulations at *N.J.A.C. 8:42A-1 et seq.* and *N.J.A.C. 10:161B-1 et seq.* that establish standards for outpatient and residential licensure of substance

abuse treatment facilities.

8. The county contractee and subcontractee shall provide all services under this contract (subcontract) in a smoke-free environment.
9. The county contractee and subcontractee is prohibited from distributing hypodermic needles or syringes, e.g., implementing a “needle exchange” program under this contract (subcontract.)
10. The county contractee and subcontractee shall ensure, in so far as possible, that written inter-agency affiliation agreements with other agencies are established, maintained and annually updated to support the referral of clients who have special needs or require ancillary services.
11. The county contractee and subcontractee shall ensure, in so far as possible, that written inter-agency affiliation agreements with community-based providers of mental health services are established, maintained and annually updated to support the referral of clients who have co-occurring mental health treatment needs to a licensed provider capable of, at a minimum, clinical assessment, medication prescription and management on an outpatient basis. Obstacles to such affiliation agreements shall not limit the eligibility of the county contractee and subcontractee to serve as a substance abuse treatment provider but must be reported to the DMHAS Director, Office of PREP for assistance.

B. Fiscal

1. The county contractee and subcontractee shall accurately complete and submit, according to instructions and timeframes provided, all reports as required by the contracting agency, including but not limited to contract expenditure, progress and closeout reports. Counties providing direct services must submit a complete roster of all active clients to the DMHAS Office of Quality Assurance on a monthly basis on the DMHAS-approved roster form. This should be submitted to DMHAS within five (5) working days of the end of the month.
2. The county contractee and subcontractee shall disclose to its governing body all related party transactions (i.e., purchase of goods or services by the contractee/subcontractee including building or vehicle leasing) of employees, governing Board members and/or their families, and maintain a record of the disclosure(s) on the premises for DMHAS and/or county review, as applicable. In order to avoid potential conflicts of interest, all transactions of related parties must be addressed in the agency audit.
3. The county contractee shall provide staff, facilities, equipment and supplies as needed to efficiently, economically and effectively satisfy the requirements of this contract.
4. The county contractee and subcontractee agency shall develop and maintain written policies and procedures which ensure the proper administrative controls for this contract (subcontract). Copies should be placed in a policy manual for easy access and review. The content of this manual should include protocols for communications with the governing body, and policies relating to internal controls, procurement, travel and personnel.
5. The county contractee and subcontractee shall ensure that funds made available under this contract (subcontract) will not be used to supplant other funding.
6. The county contractee and subcontractee must ensure that funds made available under this contract (subcontract) will not be used for sectarian instruction and/or purposes.
7. The county contractee and subcontractee shall ensure that reimbursement for substance abuse treatment

and/or recovery support services rendered to clients who meet DMHAS income and eligibility requirements utilize the following terms and conditions:

- a. The contractee shall ensure that these funds are utilized for the provision of services to clients who meet criteria for DMHAS publicly-funded services as outlined in the DMHAS Income Eligibility Policy TS-2-22-2010.
 - 1)The contractee shall not discharge clients in order to receive alternate clients at higher reimbursement rate.
 - 2)The program shall use the Division of Addiction Services Income Eligibility (DASIE) module to determine client eligibility for both fiscal and programmatic criteria.
 - 3)A signed copy of the DMHAS Income Eligibility Report must be kept in each individual client's file.
 - 4)The contractee shall ensure that funds made available under this agreement will not be used to supplant other funding.
 - 5)Attempts shall be made to obtain reimbursement from the client's health insurance company and ensure that there is no other payer, public or private, for the patient before and when utilizing DMHAS funding.
 - 6)When a client has other health insurance, such benefits must be used first and to the fullest extent before utilizing DMHAS funding.
 - 7)DAS funding may not be utilized for insurance co-pays.
- b. The contractee cannot bill Medicaid or the Substance Abuse Initiative (SAI) for the same service provided on the same day.
- c. The contractee must have a Client Sliding Fee Scale policy and procedure approved by the Board, unless no additional fees beyond the DMHAS funding amount are charged to clients. The sliding fee scale must start at "zero." A copy of the Client Sliding Fee Scale Policy and Procedure, including the Fee Schedule, must be submitted to the county for approval as part of the contract application.
- d. The county authority may engage subcontracted service providers in single-year annually-renewable sub-contracts in all but the final year of a planning cycle. The county authority may not enter into subcontracts with any service provider beyond the final year of any planning cycle. Contract renewal must be contingent upon (1) the county authority's evaluation of provider performance in meeting one or more stated objectives of the original or modified CCP and, therefore, (2) the continued relevance of the service provided to the implementation of the CCP.

D. Staffing

1. The county contractee and subcontractee shall ensure that all personnel hired and/or funded under this contract meet all educational and experiential requirements as stated in this contract including compliance with regulations at *N.J.A.C. 13:34C-1 et seq.* that establish minimum acceptable standards of education examination, experience, ethics and competent practice to encourage and promote quality treatment and rehabilitation for clients presenting with drug and/or alcohol addiction related disorders.
2. The county authority shall make professional planning education, substance abuse training and technical assistance opportunities available to county employees involved in County Plan development and service provision, and to the LACADA members.
3. The county contractee and subcontractee shall ensure that all staff members funded under this contract and subcontract, are available on-site during scheduled working hours unless attending off-site meetings,

conferences, etc. which are directly related to contract (subcontract) operations. Staff schedules must be maintained and available for review.

4. The county contractee and subcontractee, in providing direct treatment services, shall designate the following personnel:
 - a. Experienced staff person(s) for all agencies treating youth, or women and their dependent children to assess and address issues relating to potential child abuse and neglect, and to serve as liaison with the local Division of Youth and Family Services (DYFS) or other appropriate agencies;
 - b. Staff person(s) to coordinate or provide cultural competence sensitivity skills training annually to all staff; and
 - c. Appropriate staff person (s) to attend training sessions provided or sponsored by DMHAS on the Addiction Severity Index (ASI), American Society of Addiction Medicine Patient Placement Criteria 2-R (ASAM PPC-2R). HIV counseling and testing, and other training sessions as required by DMHAS.

D. Criminal Background Checks

1. The county contractee and subcontractee shall ensure that full state-level criminal background checks are initiated at the time of employment for all employees, staff, volunteers, interns and any other subcontractees or service providers who routinely interact with clients to provide any treatment, prevention, and recovery support services, including transportation, funded under this contract.
2. The county contractee and subcontractee shall ensure that full state-level background checks supported by fingerprints are initiated at the time of employment for all employees, staff, volunteers, interns and any other subcontractees or service providers who routinely interact with adolescent clients or minor children to provide treatment, prevention, and recovery support services, including transportation and childcare, funded under this contract.
3. The county contractee and subcontractee shall ensure that documentation of completed background checks are maintained in staff personnel files.
4. The county contractee and subcontractee providing direct client services may use DMHAS contract funds to support the cost of required criminal background checks. The county authority shall submit with the final expenditure report for this contract year a listing of related costs. The county authority may opt to cost-share the expense of required criminal background checks with its subcontractees.

E. Admissions Priority Criteria

1. The county contractee and subcontractee shall ensure that all individuals admitted to treatment are properly assessed, and meet the admission criteria outlined in the contractee (subcontractee) policy manual.
2. The county contractee and subcontractee shall maintain a written policy regarding priority for admissions. This policy shall be visibly posted in a visible location within the agency. The contractee (subcontractee) shall at all times grant admission to treatment for priority populations in the following order:
 - a) Injecting drug using pregnant women;
 - b) Pregnant women;

- c) Injecting drug users;
 - d) all other alcohol and drug users.
3. If a county contractee and subcontractee is at full capacity and unable to admit an IVDU pregnant woman or pregnant woman presenting for admission, it shall immediately refer the individual to another facility or make interim services available within 48 hours. At a minimum, interim services include counseling and education about:
- a) HIV and Tuberculosis (TB),
 - b) risks of needle-sharing for both acquiring and transmitting HIV infection to sexual partners and infants,
 - c) steps to take to ensure that HIV and TB transmission does not occur,
 - d) referral for HIV or TB treatment services.
 - e) effects of alcohol and drug use on the fetus
 - f) referral for prenatal care.

F. Clinical Services and Records

1. The county contractee and subcontractee shall ensure that treatment services under this contract (subcontract) are provided in accordance with regulations at *N.J.A.C. 13:34C-1 et seq.*, *N.J.A.C. 8:42A-1 et seq.* and *N.J.A.C. 10:161B-1 et seq.*
2. The county contractee and subcontractee shall maintain an adequate client record system for all services provided under this contract in accordance with all applicable licensure and contractual requirements. This record system shall be available for review and include but not be limited to:
 - a) Adequate documentation to support first-and third-party billings, including eligibility for cost sharing and Medicaid reimbursement;
 - b) Client assessment using the ASI;
 - c) Documentation of client level of care determination according to the ASAM PPC 2-R; DSM IV-TR diagnosis;
 - d) Household income assessment using the DMHASIE;
 - e) Physical examination/medical assessment, including TB testing as required by regulation;
 - f) Treatment plan with specific goals and measurable objectives, reviewed and updated as clinically indicated and no less frequently than required by regulation;
 - g) Tobacco use identified and addressed in the client's treatment plan;
 - h) Individual and group counseling and progress notes;
 - i) Education/didactic session notes;
 - j) Acknowledgment of HIV counseling and testing authorization signed by client;
 - k) Attendance sheet signed by client;
 - l) Discharge/Continuum of Care plan.
 - m) NJSAMS modules, including admission and discharge screens;
 - n) Signed authorization(s) to allow transfer of the NJSAMS client record for all clients who are referred for continuing care to another substance abuse treatment provider.
3. The county contractee and subcontractee shall seek client approval to include the client's family and/or support system in the process for admission, treatment and discharge planning.
4. The county contractee and subcontractee shall offer all clients HIV testing, including the mandatory pre-test and post-test counseling, either on-site or by means of referral for same.
5. HIV testing must be offered at the time of admission and every six (6) months thereafter. HIV testing

will not be required for admission to treatment; clients have the right to refuse it, but they should be strongly encouraged to be tested. Pre- and post-test counseling, testing or test refusal by a client shall be documented in the client record.

6. The county contractee and subcontractee shall ensure that all clients testing positive for HIV, or who self-report as HIV positive, receive an initial referral for appropriate HIV medical treatment, and should be referred at least quarterly for a follow-up consultation. It is the responsibility of the Medical Director (or the Executive Director in the case where a program does not have a Medical Director) to ensure that clients receive referral to medical care for their HIV disease at an Early Intervention Program (EIP), HIV Care Center, or by a qualified physician selected by the client.
7. The county contractee and subcontractee shall ensure that clients found to be unemployed at the time of intake will be referred for vocational testing to the Division of Vocational Rehabilitation (DVR), County One-Stop Employment Center or other appropriate agency. Client records must document referral and follow-up on all vocational referrals.
8. The county contractee and subcontractee shall maintain full utilization of services funded through this contract without exceeding any approved DMHAS licensed capacity, as applicable. Utilization must be demonstrated through the maintenance of an up-to-date DMHAS-approved roster of active clients which includes at a minimum the following data elements:
 - a) Client ID #
 - b) Date of Admission to Treatment
 - c) Discharge Date
 - d) Family Income
 - e) Family Size
 - f) Treatment Modality/Level of Care
 - g) Payer Source(s) e.g., DMHAS, County, Work First, Medicaid, Insurance, Self-pay,
 - h) Total number of days of service at this level of care

G. Clinical Supervision

1. The county contractee and subcontractee shall ensure that clinical supervision in accordance with regulations at *N.J.A.C. 13:34C-1 et seq.*, *N.J.A.C. 8:42A-1 et seq.* and *N.J.A.C. 10:161B-1 et seq.* is provided for all treatment services funded through this contract.
2. The county contractee and subcontractee shall ensure that all clinical supervision is documented and that such documentation includes, at a minimum, the type of supervision (individual or group), the date and length of session, name of supervisor and supervisee, de-identified notes on cases reviewed, and content of supervision including core functions and knowledge, skills, and abilities that are the focus of supervision.

Section IV: South Jersey Initiative

1. The county authority shall ensure that the funding designated on the Contract Information System (CIMS) in the DAS Service Type of Transportation Counties, aka “**South Jersey Initiative (SJI)**”, shall be used to purchase transportation for clients who meet the DMHAS income eligibility criteria and the following:
 - 1) adolescents ages 13 through 18
 - 2) young adults ages 18 through 24
 - 3) A resident in one of the following counties: Atlantic, Camden, Cumberland, Gloucester, Cape May, Ocean and Salem

Section V: Detoxification

1. The county authority shall ensure that detoxification providers are to have the applicable license (Department of Health and Senior Services license for hospital-based sub-acute care detoxification services; Department of Human Services, DMHAS license for substance abuse treatment facilities providing sub-acute detoxification services) to operate a detoxification program on or before the effective date of the county contract/subcontract.
2. The county contractee and subcontractee shall ensure that funding designated on the CIMS, in the categories of “**Special Appropriation, Detoxification**” and “**Supplemental, Detoxification**” shall not be used to offset or supplant other current funding allocations for detoxification services, but rather, it shall be used for enhancement or expansion of existing sub-acute detoxification services.
3. This funding shall also be used to ensure that the following quality assurance standards are met in accordance with this contract:
 - a. Clients must have access to detoxification services 24 hours per day, seven (7) days per week.
 - b. The detoxification programs must document clinical necessity for the services provided in the client file, including:
 - 1) completed ASI;
 - 2) evidence-based withdrawal risk assessment tools such as the Clinical Institute Withdrawal Assessment (CIWA), Clinical Institute Narcotic Assessment Scale for Withdrawal Symptoms (CINA), Clinical Opiate Withdrawal Scale (COWS), etc.
 - 3) completed NJSAMS admission and discharge forms.
 - c. Client’s yearly limits for detox are as follows:
 - 1) Level IV.D is 15 days per calendar year
 - 2) Level III.7D is 25 days per calendar year
 - e. The detoxification allocations are for sub-acute ASAM PPC-2R Level III.7D or Level III.7DE enhanced sub-acute detoxification services. The DMHAS will allow expanded use of detoxification funds for residential care under the following conditions:
 - 1) one or more patients has completed sub-acute detoxification and is seeking residential care,
 - 2) county allocation for residential care has been exhausted, and the annual allocation for residential care has been equal to or above the previous year’s allocation
 - 3) the county submits a written request to the DMHAS Office of PREP for approval to use detoxification funds for residential services.
 - f. A maximum of ten percent (10%) of the supplemental allocation may be used to transport indigent clients to detoxification programs, or, following completion of detoxification, to rehabilitative treatment.
9. The county contractee and subcontractee shall understand that detoxification of adolescents (<18 years of age) is permitted based on clinical necessity. Clinical necessity shall be clearly documented in the client’s file. Household income guidelines also apply to adolescents. Programs admitting adolescents must comply with all laws and regulations applicable to adolescent consent and authorization for service.
10. The county contractee and subcontractee shall ensure that funding supports services for ASAM PPC-2R Level III.7D or Level III.7DE detoxification. The services may be hospital-based or non- hospital based.
11. The county contractee and subcontractee shall ensure that clients receiving detoxification services are to be connected to continuum of care treatment services to ensure appropriate linkage and reduce recidivism. Contracts can be structured to incentivize provider agencies to ensure that detox clients are transitioned to the next level of care. Incentives shall be allowed with prior written approval from

DMHAS Director, Office of PREP.

12. The contractee and subcontractee shall ensure that client treatment plans address continuing care needs, along with a client agreement to ongoing treatment, upon admission to a detoxification program.
13. The contractee and subcontractee shall ensure that formal, written affiliation agreements, for emergency services and other levels of detoxification or crisis care, are in place and maintained on file.
14. The contractee and subcontractee shall make arrangements for, and document referral and transfer of, clients with medical complications. Triage to other services shall be performed on all clients admitted for detoxification services.
15. The contractee and subcontractee shall ensure that protocols are to be in place to serve special populations such as pregnant women, non-English speaking persons, and persons with physical, sensory, developmental and/or cognitive disabilities.
16. The county authority planning to avail its residents of ambulatory detoxification services shall obtain prior written approval from the DMHAS Director, Office of PREP. All such written requests will be made on a county-by-county basis.

Addendum A: Accounting Rules

1. The “County Match Requirement” established by P.L. 1989, Chapter 51, Section 15, N.J.S.A. C.26: 2B-34, paragraph 5.b. “as a condition for receiving the allotment calculated by [the formula]” stipulates its use “to fund community services for alcoholics pursuant to the county’s comprehensive plan.” The statute thereby precludes the use of the county matching dollars to pay any portion of salary and fringe benefits for the services of any county staffs with the exception of those that provide direct community services to alcoholics.
2. In 2016 and subsequent years, the county authority may replace that portion of CADAD salary and fringe supported by county matching dollars in prior years through CY 2015 with dollars taken from the county’s AEREF Allotment.