

January 23, 2025

BCC Agenda Date/Item: _____

Board of County Commissioners
 Clackamas County

Approval of a Renewal of a Revenue Grant Agreement with CareOregon for business plan development for the Strategic Health Care Investment for Transformation behavioral health project. Total Agreement Value is \$2,680,000 for 2 years. Funding is through CareOregon. No County General Funds are involved.

Previous Board Action/Review	Approval to Apply for Grant October 5, 2023, Agenda Item III.E.1 Previous Agreement March 20, 2024, County Administrator Approved		
Performance Clackamas	1. Individuals and families in need are healthy and safe. 2. Ensure safe, healthy, and secure communities.		
Counsel Review	Yes: Sarah Foreman	Procurement Review	NA
Contact Person	Sarah Jacobson	Contact Phone	503-742-5303

EXECUTIVE SUMMARY: The Health Center Division of Health Housing and Human Services (H3S) Department requests approval to renew a revenue grant agreement with CareOregon for the Strategic Healthcare Investment for Transformation (SHIFT) program. SHIFT program is an investment in transforming outpatient behavioral health care agencies across Oregon so that people with behavioral health needs are truly at the center of care delivery and care teams thrive. Through a collaborative process, SHIFT will build member-driven, outcomes-focused, team-based care models that reduce health disparities, address social health needs, assure timely access to care, and prepare providers for advanced value-based payment models.

Funds will be used for expenses such as a qualified consultant to aid in developing a business plan, staff time, and hiring new staff to implement the building blocks of SHIFT and operationalize the program.

RECOMMENDATION: The staff respectfully requests that the Board of County Commissioners approve this agreement and authorize Chair Roberts or his designee to sign on behalf of Clackamas County.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
 Director of Health, Housing & Human Services

For Filing Use Only

**CareOregon, Inc.
Grant Agreement**

This Grant Agreement (“Agreement”) is between CareOregon, Inc. (“CareOregon”) and Clackamas Health Center (“Grantee”) effective January 1, 2025 (“Effective Date”).

Program: BH SHIFT (“Program”)
Agreement Contact: Emily Ketola
Contact email: EKetola@clackamas.us

CareOregon Contact: Liz Wintczak
E-mail: wintczakl@careoregon.org
Grant Amount: \$2,680,000.00

I. Recitals

- A. CareOregon is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), including to help assure that the people of Oregon, regardless of income or social circumstance, have access to high-quality health care from a stable network of providers
- B. Grantee is an Oregon nonprofit organization that provides behavioral health services.
- C. Through its collaboration with Grantee, with this Agreement, CareOregon is granting funds to Grantee for use in the Program, SHIFT (Strategic Healthcare Investment for Transformation) (“Grant Funds”).

Now, therefore, in consideration of the mutual promises herein, the Parties agree as follows:

II. Administration/Interpretation of Agreement.

The Parties agree and understand that the foregoing Recitals, Exhibit A, Exhibit B, and Exhibit C to this Agreement are incorporated herein by reference with the same force and effect as if fully set forth in this Agreement.

For purposes of this Agreement, capitalized words shall have the meaning ascribed herein, unless the context clearly requires otherwise.

III. Term and Termination:

- A. **Term.** Term of this Agreement is from the Effective January 1, 2025 through December 31, 2026 (“Term”). Notwithstanding the foregoing, Grantee’s reporting obligations, inclusive of Exhibit C, or any repayment obligations stated herein will continue beyond the Term of this Agreement.
- B. **Termination.**
 - 1. The Parties may terminate this Agreement without cause by mutual written agreement.
 - 2. CareOregon may immediately terminate this Agreement for cause if:
 - i. The Program is terminated by Grantee;
 - ii. Grant Funds are not used for the Authorized Purpose;
 - iii. An employee, agent, contractor, or representative of Grantee performing the responsibilities hereunder has violated any applicable laws, rules, or regulations;
 - iv. An employee, agent, contractor, or representative of Grantee has engaged in fraud, dishonesty, or personal conduct that may harm the business and/or reputation of either Party;

- v. Grantee demonstrably lacks the ability or competence to perform the responsibilities under this Agreement; or
 - vi. Grantee elects to make a material change to the Program such that the fundamental purposes of this Agreement are abandoned.
3. Upon termination under any circumstance, funding will cease immediately, any payments not yet made by CareOregon to Grantee shall not be made, and any remaining balance of payment disbursed under this Agreement that has not been used for, or committed to this Program shall be promptly returned to CareOregon.

IV. Grant Description.

- A. **Payment Components.** CareOregon agrees to disburse to Grantee \$2,680,000.00 in total consistent with the terms and conditions of this Agreement. Disbursement amounts, requirements and timing shall be as stated in Exhibit B herein.
- B. **Payment Terms**
 1. Grantee understands and agrees that it shall use Grant Funds solely for this Program and that any costs incurred by Grantee which are not eligible for funding under this Agreement shall be the sole obligation of Grantee.
 2. Grantee understands and agrees that nothing in this Agreement implies or guarantees ongoing funding or payment throughout and beyond the Term of this Agreement.
 3. Grantee shall maintain documentation of, and purpose of funds spent on Program related activities throughout and after the end of the Term, for a period of at least 10 years.
 4. Grantee must repay to CareOregon all or a percentage of Grant Funds (1) that have not been expended by the end of the Term for the Authorized Purpose; or (2) Grant Funds used by Grantee for any purpose other than the Authorized Purpose or not used in compliance with this Agreement.
 5. If repayment of any amount is due, Grantee shall repay CareOregon such total amount due promptly or no later than 30 days after the end of the Term.
- C. **Authorized Purpose.** Funds will be used by Grantee for the Grant Scope set forth in Exhibit A
 1. Grantee shall use the funds only for the Authorized Purpose.
 2. Grantee agrees to assume the duties, obligations, rights, and privileges applicable to receiving Grant Funds pursuant to this Agreement.
 3. Grantee shall take the necessary actions pursuant to and consistent with the terms and conditions of this Agreement.
- D. **Reporting Requirements/Auditing/Maintenance of Records.**
 1. Grantee agrees to submit monthly status updates and to attend monthly meetings with CareOregon, to report on the goals for the Term as outlined in Exhibit C.
 2. Notwithstanding any other clause within this Agreement, Grantee shall maintain all receipts for any purchases made with Grant Funds along with any other records that specifically show the use of Grant Funds was in compliance with this Agreement.
 3. CareOregon shall have the right to conduct an audit of Grant Funds paid through this Agreement. Grantee shall make all books, accounting records, and other documents available at the reasonable request of CareOregon and for a period of 10 years beyond the Term of this Agreement for inspection by the State of Oregon, CareOregon, or their authorized designees.
 4. If for any reason CareOregon finds noncompliance with the terms of this Agreement and requires a repayment of Grant Funds previously paid to the Grantee, the Grantee is required to submit amounts due within thirty (30) days after receipt of a billing from CareOregon.
 5. Grantee agrees to meet with CareOregon at a mutually agreed upon time should CareOregon request any visits to meet with Grantee and review Program progress.
 6. From time to time, CareOregon may request certain information, records, and the submission of certain reports concerning various aspects of this Agreement including progress of the Program, use of Grant Funds, compliance with the terms of this

Agreement, etc. At the reasonable request of CareOregon, Grantee shall provide such information and records, submit such reports, or make its personnel available to discuss aspects of the Program. CareOregon shall provide Grantee with reasonable notice along with detailed instructions on any material requested from Grantee, should any such request be made.

V. Representations and Warranties.

- A. Grantee represents and warrants that Grantee, its agents, or its representatives possess the knowledge, skill, experience, valid licensure, and required insurance necessary to facilitate and operate the Program for the Authorized Purpose in a timely manner and with the maximum reasonable degree of quality, care, and attention to detail.
- B. Grantee expressly represents and warrants to CareOregon that Grantee is eligible to participate in and receive Grant Funds pursuant to this Agreement. In so doing, Grantee certifies by entering into this Agreement that neither it nor its employees, agents, or representatives are: (1) placed on the Tier Monitoring System by any CCO's Peer Review Committee; (2) have documented contract and/or compliance issues; or, (3) are presently declared ineligible or voluntarily excluded from entering into this Agreement by any federal or state department or agency.
- C. Should it be determined that Grantee was ineligible to receive Grant Funds from CareOregon pursuant to this Agreement, Grantee expressly agrees to promptly repay all such Grant Funds disbursed to it under this Agreement and all funding associated with this Agreement shall be discontinued until Grantee has resolved compliance issue(s) to CareOregon's satisfaction. Any discontinued funding that has been withheld will not be disbursed.

VI. General Provisions:

- A. **Force Majeure.** Neither party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its negligence provided such Party gives notice to the other Party, as soon as reasonably practicable, specifying the nature and the expected duration thereof. Failure of a Party to give notice shall not prevent such Party from relying on this Section except to the extent that the other Party has been prejudiced thereby. Notwithstanding the above, impacts to the performance of obligations as a result of the COVID-19 pandemic or other public health events shall not be considered a Force Majeure event unless such impact is a result of restrictive governmental requirement(s), that became effective subsequent to the execution of this Agreement and that substantially impacts either party's ability to fulfill the responsibilities under this Agreement.
- B. **Amendments and Waivers.** No amendment, modification, assignment, discharge, or waiver of this Agreement shall be valid or binding without prior written consent (which shall not be unreasonably withheld) of the Party against whom enforcement of the amendment, modification, assignment, discharge or waiver is sought. A waiver or discharge of any of the terms and conditions hereof shall not be construed as a waiver or discharge of any other terms and conditions hereof.
- C. **Confidentiality and Marketing.**
 1. Grantee agrees to safeguard all confidential information related to this Program and Agreement.
 2. Both Parties agree that this Agreement and all negotiations and related documentation will remain confidential and that no press, news releases, or other publicity release or communication to the general public concerning the obligations contemplated herein will be issued without providing a written copy of the communication to the other Party and receiving the other Party's prior written approval, unless applicable law requires such disclosure. In addition, both Parties agree that they must obtain written permission prior to using the other Party's name, trade name, image, symbol, design,

or trademark in any marketing, advertising, or promotional campaign in any medium or manner. Email approval by the CareOregon Contact or Agreement Contact specified herein will suffice as written approval.

- D. **Agreement Contact.** Grantee agrees that the Agreement Contact named above is responsible for all aspects of the Agreement, including monitoring progress and performance, obtaining all necessary data and information, and notifying CareOregon of any significant obstacles or delays in pursuit of this Program. Grantee will notify CareOregon if the Agreement Contact changes.
- E. **Insurance.** Grantee and CareOregon each agree to maintain at all times during this Agreement and at their own cost and expense, commercial general liability insurance, errors and omissions insurance, and workers compensation insurance coverage in amounts standard to its industry. If the Oregon Tort Claims Act is applicable to either CareOregon or Grantee, this section is modified by its terms.
- F. **Indemnity; Defense.** S Each Party (“Indemnifying Party”) hereby agrees to defend, indemnify and hold harmless the other Party (“Indemnified Party”), its officers, directors, and employees from and against third party claims, loss, liability, expense (including reasonable attorneys’ fees), judgment or settlement contribution arising from injury to person or property, arising from any negligent act or omission on the part of Indemnifying Party’s officers, directors, or employees in connection with or arising out of: (a) Work performed under this Agreement; (b) any breach or default in performance of any of Indemnifying Party’s obligations in this Agreement including, without limitation, any breach of any warranty or representation. In the event that either Party, its officers, directors, or employees are made a party to any action or proceeding by reason of any matter for which the Indemnifying Party has hereby agreed to indemnify the Indemnified Party, then the Indemnifying Party, upon notice from Indemnified Party, shall defend such action or proceeding on behalf of Indemnified Party at the Indemnifying Party's sole cost and expense. Grantee’s responsibility under this Section is subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute. Notwithstanding the foregoing, no defense or settlement shall be made without the prior written approval of the Indemnified Party, which shall not be unreasonably withheld. Each Party shall have the right to designate its own counsel if it reasonably believes the Indemnifying Party's counsel is not representing the Indemnified Party's best interest. This indemnity shall not be limited by reason of any insurance coverage required under this Agreement and shall survive termination of this Agreement.
- G. **Compliance and Licensure.** Grantee and CareOregon shall, at all times during the term of this Agreement comply with all applicable federal, state, and local laws, rules and regulations, and shall maintain in force any licenses and obtain applicable permits and consents required for performance of the Scope of Work under this Agreement. The Parties shall provide to each other copies of such applicable current valid licenses and/or permits upon request. The Parties represent and warrant that, to the best of their knowledge, officers, directors, employees, subcontractors, agents and other representatives are not excluded from participating in any federal health care programs, as defined under 42 U.S.C. 1320-a7b (f), and to their knowledge, there are no pending or threatened governmental investigations that may lead to such exclusion. Each Party agrees to notify the other of the commencement of any such exclusion or investigation with seven (7) business days of first learning of it. The Parties represent that it and its employees are not excluded from Federal healthcare programs and is not included in the Office of Inspector General (OIG) and General Services Administration (GSA) exclusion lists. Additionally, if an employee is identified to be on such lists, that employee will immediately be removed from any work related directly or indirectly to all work pursuant to this Agreement. The Parties shall have the right to immediately unilaterally terminate this Agreement upon learning of any such exclusion and shall keep each other apprised of the status of any such investigation.
- H. **Relationship of the Parties.** CareOregon and Grantee are independent entities. No provision of this Agreement is intended to create nor shall be construed to create an employment,

agency, joint venture, partnership, or any other business or corporate relationship between the Parties other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Agreement.

- I. **No Third-Party Benefit.** This Agreement shall not create any rights in any third parties who have not entered into this Agreement, nor shall this Agreement entitle any such third party to enforce any rights or obligation that may be possessed by such third party.
- J. **Assignment or Delegation.** Except as otherwise specifically provided for herein, the Parties shall not assign or delegate any or all of their rights or responsibilities under this Agreement without the prior written consent of the other Party.
- K. **Governing Law.** The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

Entire Agreement. This Agreement and the exhibits and attachments hereto contain a full and complete expression of the rights and obligations of the Parties and it shall supersede all other agreements, representations, and offers, written or oral, heretofore made by the Parties regarding any of the subject matter contained herein. This Agreement may be modified only in writing, signed by the Parties hereto.

[Signatures on following page.]

Agreed to on behalf of
Clackamas County

Signature

Name: _____

Title: _____

Date: _____

Tax ID: _____

Agreed to on behalf of
CareOregon, Inc.:

Signature

Name: Teresa Learn

Title: Chief Financial Officer

Date: _____

Exhibit A. Grant Scope

I. Obligations of Grantee:

Grantee agrees to:

- A. Perform work toward meeting the Program Description during the term of this Agreement.
- B. Use Grant Funds solely for Program expenses for the Authorized Purpose.
- C. Participate in other activities as agreed upon by Grantee and CareOregon.

II. Program Description:

SHIFT has been developed to transform how behavioral health services are delivered. Its aim is to ensure that people with behavioral health needs are at the center of care delivery and that care teams thrive. These goals will be achieved by investing in the first SHIFT cohort to build member drive and outcomes-based focused team-based care models that reduce health disparities and prepare providers for advanced value-based payment models.

III. Program Deliverables:

Grantee will complete an implementation plan and develop a business plan that is targeted toward implementing the building blocks for SHIFT in the first six months of this Agreement. The business plan will be approved by CareOregon, and progress will be measured by completion of time bound specific benchmarks. The Grantee will also complete monthly and quarterly status reports. Upon completion of identified milestones, the Grantee will be eligible to receive the next phase of funding.

IV. Authorized Purpose and Eligible Program Expenses:

Authorized Purpose. Grant Funds will be used by Grantee to operationalize the Program through upfront funding for assessment and planning for the design and implementation of SHIFT.

- Phases one and two will result in the development of a business plan which will be submitted for approval by CareOregon.
 - Grantee may use these funds to hire a consultant to supplement the coaching and support already included in the SHIFT program. If the full grant funded amount is not used during phases one and two, the remaining amount will be rolled into the Grantees available funds for phases three and four. (“Authorized Purpose”).
- The Grantee’s business plan will illustrate how they will adapt their agency to operationalize the pillars of SHIFT throughout phases three and four of the Program.
 - Eligible Program Expenses include:
 - All administrative and program development costs related to the implementation of the Grantee’s SHIFT business plan approach
 - And/or other related costs to participating in SHIFT as approved by CareOregon.

Exhibit B. Grant Funding Components

I. Payment:

CareOregon will grant \$ 2,680,000.00 to Grantee for the Program subject to the terms and conditions of this Agreement. CareOregon will disburse Grant Funds to Grantee according to the Disbursement Schedule below. Upon completion of the Program, Grantee shall return to CareOregon all disbursed Grant Funds not exclusively used to finance expenses for the Authorized Purpose.

II. Disbursement Schedule:

Disbursement	Conditions Precedent to Disbursement	Disbursement Amount
Phase I, II, III Disbursements	Original Agreement funding total disbursed	\$1,020,000.00
First Disbursement Phase IV	Funding Gate 1 as agreed upon by CareOregon and Agency funding distribution will be contingent and payable upon completion of Phase I, II and III milestones.	\$804,000.00
Second Disbursement Phase IV	Funding Gate 2 as agreed upon by CareOregon and Agency funding distribution will contingent and payable upon completion of Funding Gate 1.	\$804,000.00
Third Disbursement Phase IV	Funding Gate 3 as agreed upon by CareOregon and Agency funding distribution will contingent and payable upon completion of Funding Gate 2.	\$804,000.00
Fourth Disbursement Phase IV	The final payout will be the remaining 10% of the available funds if the agency meets at least one pre-established Program initiative outcomes.	\$268,000.00

Exhibit C. Reporting Requirements.

- A. Grantee will provide CareOregon with written report(s) regarding progress to date on the Program and the financial administration of the Grant Funds. The report(s) shall include information regarding how the Program has addressed each of the following:
 - 1. Capacity building for Grantee's provision of services
 - 2. Complete development of a business plan that was due August 31, 2024.
 - 3. Demonstrate an implementation plan that resources required SHIFT platform elements, including leadership capacity and continued engagement, subject matter expertise, data management infrastructure, and program planning, or demonstrate existing and satisfactory capacity in these areas.
 - 4. Demonstrate the execution of the phase four strategies and tasks as outlined in the Grantee's implementation plan, including monthly and quarterly updates of risk identification and mitigation, tracking of defined baseline performance and measure targets, and attending regular meetings and development spaces as determined by the Program.

- B. Progress report(s) shall be delivered to CareOregon on the following timeline:
 - 1. November 30, 2024: Progress Report 1 due
 - 2. January 31, 2027: Final Report due