

## MUTUAL BLANKET REFERRAL AGREEMENT

### 1. Parties:

a. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, called ABC

And

b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, called XYZ

### 2. Recitals:

Whereas ABC and XYZ provide substance abuse disorders treatment for more than three years,

Whereas ABC and XYZ operate facilities located in the County of \_\_\_\_\_, California.

Whereas this agreement is solely sourced in clients' welfare,

Whereas to better service their respective clients and potential clients, ABC and XYZ have devised this mutual blanket agreement as the framework of their cooperation solely sourced in (i) clientele overflow, (ii) continuity and quality of care to be provided to clients, (iii) complementing services and \ or modalities, (iv) urgency and (v) technical abilities of one party complementing the other party's abilities,

Whereas this agreement has is designed to provide the parties with a framework of cooperation that in no instance can directly or indirectly lead to compensated referrals, fees split or any other arrangement that may fall under Federal, State, and local regulations covering kickbacks and fees split,

Whereas representations herein that are substantial inducements for the parties to contract with each other,

Whereas each party to the agreement hereby undertake to update said representations yearly and notify each other of any change,

### 3. Representations:

**3.1 Each party to this agreement represents and warrants that the information contained hereunder is truthful, accurate and complete.**

**3.2 As of the date of this agreement, ABC and XYZ are in good standing with OSHA, DHCS, JC, FTB, IRS, local fire agencies,**

<b>3.3 SUD Levels of care<sup>1</sup></b>		<b>ABC</b>	<b>ABC</b>	<b>XYZ</b>	<b>XYZ</b>
Long term remission monitoring	1	YES	NO	YES	NO
Outpatient therapy	1.5	YES	NO	YES	NO
Medically managed outpatient treatment	1.7	YES	NO	YES	NO
Intensive outpatient treatment	2.1	YES	NO	YES	NO
High intensity outpatient treatment	2.5	YES	NO	YES	NO
Medically managed intensive outpatient treatment	2.7	YES	NO	YES	NO
Clinically managed low intensity residential treatment	3.1	YES	NO	YES	NO
Clinically managed high intensity residential treatment	3.5	YES	NO	YES	NO
Medically managed residential treatment	3.7	YES	NO	YES	NO
Medically managed inpatient treatment	4	YES	NO	YES	NO
<b>3.4 Additional services / modalities</b>					
Sober living environment		YES	NO	YES	NO
Medically assisted treatment		YES	NO	YES	NO
Adolescents		YES	NO	YES	NO
Dual diagnosis		YES	NO	YES	NO
Trauma treatment		YES	NO	YES	NO

**3,5 All facilities, personnel, programs, curriculum, policies and procedures, and modalities offered to clients are in compliance with pertinent regulations and regularly updated as required.**

<sup>1</sup> Indicate applicable level.

<b>3.6 Success rates<sup>2</sup> (SR):</b>	<b>Overall for prior year:</b>	<b>Overall end active treatment:</b>
ABC:	20.00 % (Est.)	80.00 % (Est.).
XYZ:	30.00 % (2024)	70.00 % (2024)

**3.7 Each party to this agreement has been in business for three years or more and operated its facilities in an uninterrupted manner for at least three years.**

<b>3.8 Active network provider<sup>3</sup></b>	<b>LEVEL</b>	<b>ABC</b>	<b>LEVEL</b>	<b>XYZ</b>
Aetna		Y N		Y N
Anthem		Y N		Y N
Avante		Y N		Y N
Adventist Health		Y N		Y N
Beacon		Y N		Y N
Blue Shield		Y N		Y N
Blue Cross		Y N		Y N
Cigna		Y N		Y N
Compsych		Y N		Y N
Health Net		Y N		Y N
HMC		Y N		Y N
Humana		Y N		Y N
Kaiser		Y N		Y N
LA Care		Y N		Y N
Magellan		Y N		Y N

<sup>2</sup> **Overall success rate** is obtained by dividing the total aggregated number of days of success by the total aggregated number of days identical clients would have enjoyed during the entire year without relapse or other interruption of recorded sobriety.

**Overall end active treatment success rate** is obtained by dividing the total aggregated number of days of success during treatment by the total aggregated number of days identical clients would have enjoyed during the entire year without relapse or other interruption of recorded sobriety.

<sup>3</sup> Listed healthcare insurances to be modified to reflect actual networks.

<b>3.8 Active network provider</b>	<b>LEVEL</b>	<b>ABC</b>	<b>LEVEL</b>	<b>XYZ</b>
Medical	Y	N	Y	N
Medicare	Y	N	Y	N
MHN	Y	N	Y	N
Molina	Y	N	Y	N
NX Health Network	Y	N	Y	N
Optum	Y	N	Y	N
Tricare	Y	N	Y	N

**3.9. Statement :**

**Each party to this agreement represents and warrants that, as of the date of this agreement it has never been involved in the practices of (i) body brokerage, (ii) kick back, (iii) fee split, (iv) fraud, and to the best of the signatories' best practices, policies and procedures have been implemented to avoid any of these practices to occur.**

**4. After what the parties have agreed as follows<sup>4</sup>:**

4.1. Events constituting a source for cooperation under this agreement:

- a. One party inability (temporary / permanent – technical / structural) to service actual and \ or potential clients who can be treated by the other party,
- b. One party having the ability to provide services to client(s) as a provider in a given network while the other party is not a registered provider with that specific insurance carrier,
- c. One party providing services / modalities the other party does not offer to its clients,
- d. To ensure a continuum of care for client(s),
- e. To provide services to clients under certain mandates issued by governmental agencies,
- f. Emergency,
- g. Commonly developed practice over the years

<sup>4</sup> Indicate applicable underlying rationale to referral.

#### 4.2. Cooperation process initiation:

- a. The requesting party to contact the other party through any mean of communication to ensure speedy resolution. Once a solution has been devised, written confirmation and documentation to follow via HIPAA secured means of communication,
- b. At minimum, written communication to include: (i) summary of the issues at hand and resolution thereof, (ii) client(s) ROI forms, (iii) client(s) informed consent forms, (iv) if already run, VOB, (v) client(s) discharge forms, (vi) clients file.

#### 4.3. Discharge – Intake processes:

**a. If the referral is prior to client(s) being accepted by the transferring party**, in addition to transferring client' s pertinent information, the referring party must inform client of the contemplated transfer as well as all related rationale and consequences and secure such informed consent in a written instrument to be maintained with referral log if any.

**b. If the referral takes place after client(s) has/have been accepted by transferring party**, proper transfer can take place only if:

- Client(s) have been informed and have agreed to the contemplated transfer (in some cases, clearance with client(s)' physician may be required),
- Client(s) file prior to discharge has been completed and prepared for transferee. File shall include – inter alia -- (i) medication regimen, (ii) on-going prescriptions, (iii) consent forms, (iv) discharge interview, (v) ROI to transferee, (vi) discharge and release form(s) executed by client(s), (vii) final estimation of financial responsibility – to be the source document for final billing for transferred client(s), (viii) pertinent information about client(s) recorded in transferor's EMR system.

#### 4.4. Finances / Billing:

- a. The parties herein undertake that there will be **NO split billing**,
- b. The parties herein undertake that there will be **NO overlapping billing**.
- c. If there is any financial matter between the parties (*e.g., prepaid transportation costs*), such matter must be resolved through separate transactions identified the rationale and the resolution of the issue at hand.
- d. The parties herein undertake that there will be **NO open account between the parties**.
- e. **If the transfer occurs prior to intake (simple referral): the parties herein undertake that there will be NO financial transaction to be linked directly or indirectly to transfers.**

f. Unless discovered after client(s) discharge, client(s) and \ or their insurance(s) shall not be charged for any cost/service by transferring party after the transfer has occurred.

4.5. Therapeutic independence / non-interference:

a. Once client(s) have been transferred, Transferor shall abstain from making any recommendation, comment or intervening in any manner in transferred client(s) treatment by Transferee.

b. Such prohibition does not apply in the case of clients simultaneously treated by both parties.

c. If Client(s)' welfare requires such intervention, the most diligent party shall take any measure deemed appropriate under the circumstances.

4.6 Documentation:

To ensure arms' length transactions between the parties herein and other referring parties, each party herein shall maintain a referral log (*Referral log*) that shall contain the following data:

- Client's full name,
- Referral date,
- Referred party,
- Underlying rationale (*See Section 4, Article 1*)
- Intervening parties' names, namely the person who initiated the referral and the person who accepted the referral,
- Intervening parties' contact

Referral long shall be maintained and accessible to Management for a period to be no less than 5 years from the referral date.

4.6. General statement:

**This agreement constitutes a framework designed to better service clients by pooling resources without any other purpose and consequence than servicing clients in need on a case-by-case basis.**

**Based on the foregoing, some of the provisions contained herein may be amended and/or waived depending on the circumstances, each party having clients' best interests as a directing principle in their decision-making process.**

#### 4.7 General terms:

##### **a. Duration:**

- *Initial duration:* 365 days from the date of execution of the agreement by all authorized parties.

- *Automatically renewed for an identical period unless:*

(i) Any party notified the other party in writing of its desire to end the agreement. Such notice shall be in a dated stamped written instrument mailed to the addresses above. Notices of non-renewal can be mailed anytime,

(ii) Representations contained in Sections 2 and 3 no longer apply.

- *Early termination:* for convenience, this agreement may be terminated by either party. Notice of termination shall be effective 48 hours after the date of the sending. Notice of termination shall be date stamped, in writing and mailed to the addresses above.

##### **b: No rights and obligations other than those stated in this agreement:**

No rights and obligations other than those stated in this agreement shall be created or inure to the benefit of the parties to the agreement, their successors, assigns and clients.

This agreement is for public health benefit only.

##### **c. Additional terms:**

*Confidentiality:* This agreement, exhibits, appendices, and any instrument incorporated by reference shall be kept by the parties in strictest confidentiality. They can be disclosed to third parties for legal advice, financial, accounting and/or tax matters only.

*HIPAA compliance – Business Associate Agreement:* To comply with applicable HIPAA regulations (*as they may be amended or supplemented from time to time*), the parties to this Agreement shall enter into a Business Associate Agreement to be executed concurrently with this Agreement.

*Jurisdiction:* In case of conflict arising out of this agreement, the courts located in the County of \_\_\_\_\_, \_\_\_\_\_ shall have exclusive jurisdiction.

*Applicable Laws:* \_\_\_\_\_ laws and applicable Federal laws exclusively govern this agreement.

*Attorney Fees, costs, and expert fees:* In case of conflict arising out of or in connection with this agreement, the prevailing party shall be entitled to be reimbursed by the losing party of reasonable attorney fees, expert fees, and costs.

*Binding Effect:* This agreement is binding upon the parties' successors and assigns.

*Assignment:* This agreement is for personal services and cannot be assigned without the assigned party's prior written consent. It can, however, be assigned by any party to any third party owning a controlling interest in the assignor's business. For interpretation purposes, controlling interest means more than 51% of voting power of a fully diluted basis.

*Entire Agreement. No partnership – No contractor – subcontractor relationship – No employer – employee relationship:* This agreement constitutes the entire understanding and agreement between the parties. It does not constitute or is the preamble to any partnership, contractor – subcontractor or employer – employee relationship of any kind.

*Notices:* Notices under this agreement shall be mailed via certified mail with return receipt or any other time stamped written medium including Emails and Facsimiles.

*Conflict of interest:* All parties to this agreement have taken reasonable steps to protect each other from any conflict of interest, and therefore both parties mutually waive any potential conflict of interest that may arise out of one or more surveys subject matter of this agreement.

*Severability:* Should any provisions of this agreement deemed null or void by any competent jurisdiction, only the provision(s) subject to such determination shall be deemed null or void while the remainder of the agreement shall remain valid and enforceable.

*Superseding effect:* This agreement supersedes all and any verbal or written agreement the parties may have had. It does not however cover any engagement the parties may have entered covering matters other than the matter(s) within the scope of this agreement.

*Consent:* When needed to achieve the contemplated transaction, no party shall unreasonably withhold consent.

This agreement was made in two original copies in the County of \_\_\_\_\_,  
\_\_\_\_\_ on \_\_\_\_\_.

ABC

XYZ

\_\_\_\_\_(signature)

\_\_\_\_\_(signature)

\_\_\_\_\_(Title)

\_\_\_\_\_(Title)

\_\_\_\_\_(Name)

\_\_\_\_\_(Name)

Date: \_\_/\_\_/\_\_\_\_

Date: \_\_/\_\_/\_\_\_\_