

**CHILDREN’S THERAPEUTIC SERVICES AND SUPPORTS (CTSS)
SCHOOL-BASED SERVICES AGREEMENT BETWEEN
NORTH HOMES, INC. AND INDEPENDENT SCHOOL DISTRICT 698**

This Agreement is entered into by and between:

North Homes, Inc. / North Homes Children & Family Services, a Minnesota-certified Children’s Therapeutic Services and Supports (CTSS) provider, with its principal place of business at 303 SE First Street, Grand Rapids MN 55744 (hereinafter “Provider”),

and

ISD #698, an independent school district organized under the laws of the State of Minnesota, with its principal offices at PO Box 287, Floodwood MN 55736 (hereinafter “District”).

1. PURPOSE

The purpose of this Agreement is to establish the terms under which Provider will deliver Mental Health and Children’s Therapeutic Services and Supports (CTSS) to eligible students within the District in accordance with Minnesota Statutes, Minnesota Department of Human Services (DHS) policies, and applicable federal regulations.

2. AUTHORITY

This Agreement is governed by, and services shall be delivered in compliance with:

- Minnesota Statutes § 256B.0943 (CTSS)
- Minnesota Health Care Programs (MHCP) Provider Manual
- Family Educational Rights and Privacy Act (FERPA)
- Health Insurance Portability and Accountability Act (HIPAA)

3. TERMS AND TERMINATION

Term: This Agreement shall begin on July 1, 2026 and shall remain in effect for an initial term of one (1) year.

Automatic Renewal: This Agreement shall be automatically renewed for successive terms of one (1) year each unless either party provides written notice of its intent not to renew to the other party at least thirty (30) days prior to the expiration of the then-current term.

Termination:

Either party may terminate this Agreement:

- With thirty (30) days written notice without cause; or
- Immediately upon written notice in the event of a material breach by the other party or loss of required certification, licensure, or authority to provide services.

4. SERVICES PROVIDED

Provider agrees to deliver MH/CTSS services which may include, but are not limited to:

- Comprehensive Evaluation
- Individual, family, and group psychotherapy directed towards changing or reducing symptoms of a mental health condition.
- Individual, family and group skills training to improve functioning at school, home and in the community.
- Crisis assistance (as applicable)
- Treatment planning and progress monitoring
- Student specific consultations with parents and school staff
- Early Childhood Education services, subject to prior arrangement with the applicable school district.
- Day Treatment services, when provided, shall be addressed under a separate contract and subject to prior arrangement.

Services will be provided only to students who:

- CTSS school clients must be eligible for Medicaid or otherwise qualify for services through approved alternative funding sources, such as grants.
- Have complete intake documentation and signed informed consent forms completed by the student's legal guardian
- Have completed required diagnostic and functional assessments
- Have an approved Individual Treatment Plan (ITP)

4A. Service Roles and Scope of Practice

Services provided under this Agreement may be delivered by qualified Mental Health Professionals/Therapists and/or CTSS Practitioners, each operating within their respective scope of practice as defined by Minnesota law and Minnesota Health Care Programs (MHCP).

Mental Health Therapist / Mental Health Professional (Clinical Role):

A Mental Health Professional or Clinical Trainee (as defined by Minnesota Statutes and DHS) is responsible for the provision of clinical mental health services, which may include diagnostic assessment, treatment planning, psychotherapy, clinical supervision, and ongoing evaluation of medical necessity. These services are therapeutic in nature and are directed toward the treatment of a diagnosed mental health condition.

CTSS Practitioner (Skill-Based Support Role):

A CTSS Practitioner provides rehabilitative, skills-based services under the direction and supervision of a qualified Mental Health Professional. Services are focused on the development, restoration, or maintenance of age-appropriate functioning and may include individual, family, or group skills training as identified in the student's Individual Treatment Plan (ITP). CTSS Practitioners do not provide psychotherapy or diagnostic services.

Role Distinction and Coordination:

The parties acknowledge that clinical therapy services and CTSS skills services are distinct but complementary. Provider retains sole responsibility for determining appropriate service type, staffing, and level of care based on clinical need and MHCP requirements.

District personnel shall not assign, direct, or request Provider staff to perform duties outside their defined scope of practice.

4B. Ancillary Services

In addition to standard CTSS services, Provider may provide the following ancillary services to support student well-being, as mutually agreed upon:

- **Parent and child study sessions**
North Homes feels it is very important to create a team with the school and family to enhance family engagement and treatment outcome. Therefore, our Practitioners and Mental Health Professionals (when requested) will participate in the child and family study, IEP meetings, etc.
- **Suicide prevention and intervention services**
North Homes providers have extensive training in suicide prevention and intervention and will team with the school to provide assessment, referral, and follow-up support for a student with suicidal thoughts.
- **Ongoing behavioral health consultation**
Behavioral Health consultation is provided in a collaborative, team-based approach to support students, families, and school staff. North Homes therapists are trained to work with children with complex needs throughout our continuum and we bring those skills to assist students, families, and school staff with ongoing behavioral health consultation.
- **Behavior Management and Mental health training for District staff**
North Homes trains our staff in the behavioral management model Life Space Crisis Intervention (LSCI). Upon request of the District, North Homes would offer cross training of these skills to the district staff. North Homes staff working in the School District locations are not trained in CPI and are instructed not to do physical interventions or holds unless there is no other option for ensuring the immediate safety of the student. School staff are to take lead in any physical interventions or holds.
- **Tragic Event Response Service**

Whenever a tragedy occurs within a school (i.e. suicide, car accident, etc.) North Homes commits to provide our collective resources on-site to assist, counsel and support. North Homes professionals are trained and skilled in Informed Trauma Therapy and we commit to assisting staff and students in coping with tragic events.

- **Comprehensive Coordinated Services with Community Resources**
North Homes has a comprehensive service continuum and strong connections with community resources, as such, we have at our disposal resources and consultants to address the often-complex needs of students. Our multi-disciplinary team can staff difficult cases to identify appropriate intervention strategies.

5. SCHEDULING AND DELIVERY OF SERVICES

Services will be delivered on school premises at mutually agreed-upon locations during school hours, unless otherwise arranged.

District agrees to provide:

- Appropriate private space for services that meets the requirements for trauma-informed care, including privacy, minimal distractions, and a safe, supportive environment for students
- Office space for Provider staff to perform administrative tasks, documentation, and care coordination in a professional and private setting
- Access to reliable, high-speed internet (Wi-Fi) sufficient to support Provider operations, including secure electronic health record access, documentation, communication, and telehealth services as applicable, in compliance with applicable privacy and security requirements
- Secure storage space (as needed)
- Reasonable access to facilities for Provider staff

5A. Scheduling and Service Delivery

- Services are scheduled based on clinical need, medical necessity, and Provider staff availability, as determined by Provider
- Consistency in scheduling is essential to treatment effectiveness; District agrees to make reasonable efforts to support student availability for scheduled services
- Provider retains final authority over clinical scheduling decisions

5B. Referral and Waitlist Process

- Referral process will follow a defined school-based process as outlined between the District and Provider
- All services require guardian consent and complete intake documentation
- Services are initiated based on clinical appropriateness and provider capacity

- When demand exceeds capacity, students may be placed on a waitlist.

5C. Summer Programming

North Homes delivers Mental Health Therapy and Children's Therapeutic Services and Supports (CTSS) on a year-round basis, including during summer months.

- Services may be provided on-site at designated school locations, at mutually agreed-upon community-based locations, in the client's home, or in structured outdoor skill-building and recreational settings, as clinically appropriate.
- Provider may also collaborate with school programs and community organizations (e.g., local youth programs) to support service delivery and enhance skill development opportunities.

6. ROLES AND RESPONSIBILITIES

6.1 Provider Responsibilities

Provider shall:

- Maintain certification as a CTSS provider under Minnesota DHS
- Ensure all staff meet Minnesota CTSS qualifications and background study requirements (per Minn. Stat. § 245C)
- Maintain professional liability insurance
- Obtain informed consent from parents/guardians prior to service delivery
- Develop and maintain Individual Treatment Plans (ITPs)
- Coordinate care with school personnel as appropriate and authorized
- Bill Minnesota Health Care Programs (MHCP) or other payers directly for services
- Maintain clinical records in compliance with DHS and HIPAA requirements

6.2 District Responsibilities

District shall:

- Provide appropriate space for services at no cost to Provider, including a designated space suitable for trauma-informed care for students and office space for Provider staff
- Provide access to **reliable, high-speed internet (Wi-Fi)** sufficient to support Provider operations, including secure electronic health record access, documentation, communication, and telehealth services as applicable, in compliance with applicable privacy and security requirements
- Designate a school liaison for coordination purposes
- Assist with scheduling and student access, as appropriate
- Comply with FERPA requirements when sharing educational data
- Obtain necessary releases of information when collaborating with Provider
- Acknowledge that Provider staff roles are defined in Section 3A and shall not assign, direct, or request Provider staff to perform duties outside their designated clinical or

rehabilitative scope of practice, including duties typically performed by District employees

7. DATA PRIVACY, CONFIDENTIALITY, AND INFORMATION SHARING

Both parties agree to comply with all applicable federal and state privacy and data protection laws, including the Health Insurance Portability and Accountability Act (HIPAA), the Family Educational Rights and Privacy Act (FERPA), and the Minnesota Government Data Practices Act (Minn. Stat. Chapter 13).

All student information, whether clinical or educational in nature, shall be treated as confidential and shall only be accessed, used, or disclosed to the extent necessary to carry out the purposes of this Agreement and only with appropriate legal authority, including valid written consent or other lawful basis for disclosure.

Information sharing between Provider and District shall be limited to the **minimum necessary information** required for coordination of care, educational planning, student safety, or treatment implementation. Such sharing shall occur only with appropriate authorization and through secure, approved communication methods designed to protect confidentiality.

Both parties agree to implement reasonable administrative, physical, and technical safeguards to protect the confidentiality, integrity, and security of all protected data exchanged under this Agreement and shall promptly report any suspected or confirmed breach in accordance with applicable law.

8. OWNERSHIP OF RECORDS AND ACCESS TO MENTAL HEALTH DOCUMENTATION

8.1 Ownership of Records

Provider clinical records shall remain the sole property of Provider and shall be maintained as protected health information under HIPAA. District education records shall remain the property of the District under FERPA. The parties acknowledge that these record systems are distinct and shall not be commingled except as expressly authorized in writing by the student's legal guardian or as otherwise permitted by law.

Clinical and mental health records created, maintained, or used by Provider in the delivery of MH/CTSS services may include, but are not limited to, comprehensive evaluations, diagnostic assessment tools, psychotherapy notes, treatment plans, progress notes, and related documentation.

8.2 Custody and Control

Provider shall retain exclusive custody and control of all mental health records and shall be

responsible for their storage, maintenance, retention, and destruction in accordance with applicable federal and Minnesota laws relative to medical records.

School District shall retain exclusive custody and control of all educational records and shall be responsible for their storage, maintenance, retention, and destruction in accordance with applicable federal and Minnesota laws relative to educational records.

8.3 Access and Disclosure

District shall not access, maintain, or redisclose Provider's mental health records except:

- With a valid, written authorization from the student's parent/guardian
- As otherwise permitted or required by law.

8.4 Separation from Education Records

The parties acknowledge that Provider medical records are distinct from District education records and that Mental health records shall not be placed in a student's cumulative educational file unless expressly authorized in writing by a student's parent/guardian or as required by law.

9. BILLING AND FINANCIAL TERMS

- Provider shall bill Minnesota Health Care Programs (MHCP) or other applicable insurers directly for MH/CTSS services.
- District shall not be financially responsible for MH/CTSS services provided under this Agreement.
- No fees shall be charged to District for Provider's services unless otherwise agreed in writing..

10. LIABILITY AND INSURANCE

10.1 Insurance Requirements

Provider shall maintain, at its sole expense, the following insurance coverage with carriers licensed to do business in the State of Minnesota:

- Professional Liability (Errors & Omissions) Insurance covering mental health services
- General Liability Insurance
- Cyber Liability Insurance covering electronic protected health information (ePHI), if applicable
- Workers' Compensation Insurance as required by Minnesota law

District shall maintain general liability and any other insurance coverage required under Minnesota law or District policy.

Upon request, each party shall provide a certificate of insurance demonstrating required coverage.

10.2 Allocation of Responsibility

Each party is responsible for the acts, omissions, and negligence of its own employees, agents, and contractors acting within the scope of their duties.

Nothing in this Agreement shall be construed to make either party responsible for the independent clinical judgment, professional actions, or licensing obligations of the other party.

10.3 Mutual Indemnification

To the fullest extent permitted by law, each party agrees to indemnify, defend, and hold harmless the other party, including its officers, board members, employees, agents, and representatives, from and against any and all claims, damages, losses, liabilities, costs, and expenses (including reasonable attorney's fees) arising out of or resulting from:

- The indemnifying party's negligent acts or omissions
- The indemnifying party's breach of this Agreement
- The indemnifying party's violation of applicable law or regulatory requirements

This indemnification shall not apply to the extent a claim is caused by the negligence or willful misconduct of the indemnified party.

10.4 No Waiver of Legal Rights / Public Entity Protection

Nothing in this Agreement shall be construed as a waiver of any legal rights, immunities, or defenses available to either party under federal or Minnesota law, including but not limited to statutory immunities applicable to public school districts or governmental entities.

10.5 No Waiver of Liability for Non-Negligent Acts (Clarified)

The parties acknowledge that neither party assumes liability for the lawful performance of the other party's professional, clinical, or administrative obligations under this Agreement. Each party retains responsibility for compliance with applicable licensure, certification, and regulatory standards governing its own operations.

11. INDEPENDENT CONTRACTOR STATUS

Provider and its staff shall remain **independent contractors with respect to any and all work performed under this Agreement**. Nothing in this Agreement shall be construed to create an employment relationship, partnership, joint venture, or agency relationship between Provider and District. Provider's staff are **not employees of the District** and shall not be entitled to any benefits, compensation, or privileges of District employees. Provider retains full control over the manner, means, and methods of performing services under this Agreement.

12. NON-DISCRIMINATION

Both parties agree to comply with all applicable federal and Minnesota non-discrimination laws.

13. AMENDMENTS

This Agreement may be amended only in writing and signed by authorized representatives of both parties.

14. ENTIRE AGREEMENT

This document constitutes the entire agreement between the parties and supersedes all prior negotiations or agreements.

15. SIGNATURES

North Homes, Inc. / dba North Homes Children & Family Services

NH Authorized Representative Signature: _____

Printed Name: James Christmas

Title: President & CEO

Date: 5-5-26

ISD #698

District Authorized Representative Signature: _____

Printed Name: Amanda Field

Title: Principal

Date: 5/4/26

BUSINESS ASSOCIATES AGREEMENT

BETWEEN

NORTH HOMES, INC. AND INDEPENDENT SCHOOL DISTRICT 698

1. Purpose

Provider delivers Children's Therapeutic Services and Supports (CTSS) to District students. In the course of providing these services, both parties may create, receive, maintain, or transmit:

- Protected Health Information (PHI) subject to HIPAA
- Education records subject to FERPA
- Special education and IEP-related data

For purposes of this Agreement:

- Provider is independently obligated to comply with HIPAA requirements
- District is independently obligated to comply with FERPA requirements
- District and Provider agree to enter into a Business Associate Agreement (BAA) to ensure the protection and proper handling of student data
- Both parties acknowledge and accept their respective responsibilities to safeguard all shared information

2. Permitted Uses and Disclosures

Each party agrees to use or disclose PHI and student data only to:

- Provide or support CTSS services
- Support IEP/Individual Treatment Plan implementation
- Conduct billing and reimbursement
- Perform limited administrative operations

Both parties will:

- Apply the **minimum necessary standard**
- Not use or disclose data in a manner that violates HIPAA or FERPA

3. FERPA and IEP Data

Both parties agree to:

- Treat student information as **confidential education records** under FERPA
- Treat students CTSS documentation as **confidential health records** under HIPAA
- Use records only for authorized educational and CTSS purposes
- Not redisclose records except as permitted by law or this Agreement
- Cooperate in responding to parent/student rights requests

4. Safeguards

Each party will implement reasonable **administrative, technical, and physical safeguards** to protect PHI and education records and comply with:

- HIPAA (45 CFR Parts 160 & 164)
- Minnesota Government Data Practices Act (Minn. Stat. Ch. 13)
- Minnesota Health Records Act
- Family Educational Rights and Privacy Act (FERPA)

5. Mutual Breach and Incident Reporting

Each party agrees to notify the other of:

- Any breach of unsecured PHI
- Any unauthorized access, use, or disclosure of student data

Timeline: Without unreasonable delay, and no later than **[5 business days]**

Each notice will include (if known):

- Description of the incident
- Types of data involved
- Affected individuals (if identifiable)
- Corrective actions taken or planned

Each party will cooperate in:

- Investigation
- Mitigation
- Required notifications under HIPAA, FERPA, and Minnesota law

6. Subcontractors

Each party will ensure that any subcontractor or agent with access to data:

- Agrees in writing to the same restrictions and safeguards
- Complies with applicable federal and state laws

Each party remains responsible for its subcontractors.

7. Access, Amendment, and Accounting

To the extent applicable, each party agrees to:

- Provide access to records as required by law
- Make amendments upon request
- Track disclosures as needed for accounting requirements

8. Minnesota CTSS and DHS Compliance (Provider Responsibilities)

Provider certifies it is enrolled and compliant with Minnesota DHS CTSS requirements and will:

- Ensure services meet **medical necessity and documentation standards**
- Maintain proper staff qualifications and supervision
- Document services consistent with DHS rules

Billing

Provider will:

- Bill only for **eligible, documented, and non-duplicative CTSS services**
- Maintain records for audit

Provider is responsible for repayment of disallowed claims due to its noncompliance.

9. Data Ownership

- District retains ownership of **education records**
- Provider retains ownership of **CTSS health records**
- Each party retains ownership of its original records as required by law
- Shared data may only be used as permitted under this Agreement

10. FERPA–HIPAA Coordination

The parties acknowledge:

- FERPA governs education records
- HIPAA governs PHI outside FERPA scope

Where uncertainty exists, both parties will apply the **more restrictive standard**.

11. Termination

Either party may terminate this Agreement for material breach if not cured within **[30 days]**.

Upon termination, each party will:

- Return or destroy data received from the other party, or
- Continue to protect it if destruction is not feasible

12. Miscellaneous

- This Agreement supplements the parties' Service Agreement
- Governing law: State of Minnesota
- This Agreement controls in case of conflict regarding data privacy

13. SIGNATURES

North Homes, Inc. / dba North Homes Children & Family Services

NH Authorized Representative Signature: _____

Printed Name: JAMES CHRISTMAS

Title: PRESIDENT & CEO

Date: 5-5-26

ISD #698

District Authorized Representative Signature: _____

Printed Name: AMANDA FEILD

Title: PRINCIPAL

Date: 5/4/26