

	INTERAGENCY AGREEMENT for MEDICAID ADMINISTRATIVE CLAIMING	HCA Contract Number: K4648
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THIS AGREEMENT is made by and between Washington State Health Care Authority (HCA) and Kitsap Public Health District, (Contractor), pursuant to the authority granted by Chapter 39.34 RCW.

CONTRACTOR NAME Kitsap Public Health District		CONTRACTOR DOING BUSINESS AS (DBA)	
CONTRACTOR ADDRESS 345 6th Street, Suite #300	Street	City Bremerton	State WA Zip Code 98337
CONTRACTOR CONTRACT Keith Grellner	CONTRACTOR TELEPHONE (360) 728 2284	CONTRACTOR E-MAIL ADDRESS keith.grellner@kitsappublichealth.org	

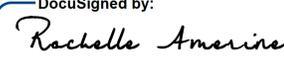
HCA PROGRAM Medicaid Administrative Claiming (MAC)	HCA DIVISION/SECTION Medicaid Programs Operations & Integrity / Community Services
HCA CONTRACT MANAGER NAME AND TITLE Jon Brogger, Medical Assistance Program Specialist	HCA CONTRACT MANAGER ADDRESS Health Care Authority 626 8th Avenue SE PO Box 45530 Olympia, WA 98504-5530
HCA CONTRACT MANAGER TELEPHONE (360) 725-1647	HCA CONTRACT MANAGER E-MAIL ADDRESS jon.brogger@hca.wa.gov

CONTRACT START DATE January 1, 2021	CONTRACT END DATE December 31, 2022	TOTAL MAXIMUM CONTRACT AMOUNT No Maximum
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PURPOSE OF CONTRACT:

The purpose of this Contract is to support Medicaid related outreach and linkage activities performed by Local Health Jurisdictions (LHJ) to Washington State residents who live within its jurisdiction. These activities assist residents who have no or inadequate medical coverage, and includes explaining the benefits of the Medicaid program, assisting them in the Medicaid application and renewal processes, and linking them to Medicaid covered services. This Agreement provides a process for partially reimbursing the Contractor for allowable and reasonable expenses associated with the time its staff spend performing Medicaid Administrative Claiming (MAC) activities.

The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract will be binding on HCA only upon signature by HCA.

CONTRACTOR SIGNATURE DocuSigned by:  Keith Grellner	PRINTED NAME AND TITLE Keith Grellner Administrator	DATE 12/3/2020
HCA SIGNATURE DocuSigned by:  <i>Rochelle Amerino</i>	PRINTED NAME AND TITLE Annette Schuffenhauer Chief Legal Officer	DATE 11/3/2020

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The following Attachments and Exhibits are attached and are incorporated into this Contract by reference:

Attachments

Attachment 1: Confidential Information Security Requirements

Attachment 2: Federal Compliance, Certifications, and Assurances

Attachment 3: Federal Award Identification for Subrecipients

Attachment 4: Federal Funding Accountability and Transparency Act Data Collection Form

Schedules

Schedule A: Statement of Work (SOW) Medicaid Administrative Claiming Services

Recitals

This Contract, number K4648 supercedes and replaces contract K3068 in its entirety.

1. DEFINITIONS

“**A19-1A Invoice Voucher**” or “**A19**” means the state of Washington Invoice Voucher used by Contractors and vendors to submit claims for payment in return for goods and/or Services provided to Health Care Authority (HCA) or its clients.

“**Activity Code**” or “**Code**” means the code assigned to the daily activities performed by Contractor staff in order to identify the percentage of time spent on any given activity.

“**Administrative Fee**” means the dollar amount charged to a contractor by HCA based on a percentage of each contractor’s billing for Federal Financial Participation (FFP) claimed at the federally approved match rate, to offset HCA’s costs incurred in administering this Contract.

“**Apple Health**” or “**Medicaid**” means the Washington State Medicaid program funded by the federal and state government, which pays for medical coverage for children and adults who meet specific income criteria.

“**Audit**” means an investigation of a contractor’s MAC program and financial information to ensure compliance with state, federal, and local laws.

“**Authorized Representative**” means a person to whom signature authority has been delegated in writing acting within the limits of the person’s authority.

“**Billing Quarter**” means a calendar quarter consisting of three (3) consecutive calendar months beginning with the first date of the calendar quarter during which this Agreement starts. The Contractor shall use Billing Quarters as the time periods for which claims for FFP are made.

“**Breach**” means the unauthorized acquisition, access, use, or disclosure of Confidential Information that compromises the security, confidentiality, or integrity of the Confidential Information.

“**Budget Unit**” means the individual contractor eligible to submit a claim for reimbursement to HCA, and includes all of its subunits.

“**Budgeting, Accounting and Reporting System**” or “**BARS**” or “**BARS Manual**” The BARS Manual prescribes accounting and reporting for local governments in accordance with RCW 43.09.200 and found at this website <http://www.sao.wa.gov/local/Pages/BarsManual.aspx>.

“**Business Days and Hours**” means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.

“**Centers for Medicare and Medicaid Services**” or “**CMS**” means the federal office under the Secretary of the United States Department of Health and Human Services, responsible for the Medicare and Medicaid programs.

“Centers for Medicare and Medicaid Services School-Based Administrative Claiming Guide” or **“CMS Guide”** means the document issued by CMS in 2003 and any supplements, amendments, or successor; incorporated herein by reference which provides guidance to States for developing and managing MAC programs.

“Certified Public Expenditure” or **“CPE”** means the sources of funds certified as actual expenditures by a local or public governmental entity and used as the State share in order to receive federal matching Medicaid funds, or Federal Financial Participation (FFP).

“Client” means an individual served within budget unit or cost center of the Contractor.

“Code of Federal Regulations” or **“CFR”** means the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government. All references in this Contract to CFR chapters or sections include any successor, amended, or replacement regulation.

“Cognizant Agency” means the federal agency responsible for reviewing, negotiating, and approving Indirect Cost Rates.

“Confidential Information” means information that may be exempt from disclosure to the public or other unauthorized persons under chapter 42.56 RCW or chapter 70.02 RCW or other state or federal statutes or Regulations. Confidential Information includes, but is not limited to, any information identifiable to an individual that relates to a natural person’s health, finances, education, business, use or receipt of governmental services, names, addresses, telephone numbers, social security numbers, driver license numbers, financial profiles, credit card numbers, financial identifiers and any other identifying numbers, law enforcement records, HCA source code or object code, or HCA or State security information.

“Contract” or **“Agreement”** means the entire written Agreement between HCA and the Contractor, including any exhibits, documents, or materials incorporated by reference. The parties may execute this Contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail (electronic mail) or fax (facsimile) transmission of a signed copy of this Contract shall be the same as delivery of an original. Contract and Agreement may be used interchangeably.

“Contractor” means Kitsap Public Health District, its employees and agents. Contractor includes any firm, provider, organization, individual or other entity performing Services under this Agreement. It also includes any Subcontractor retained by Contractor as permitted under the terms of this Agreement.

“Corrective Action” or **“Corrective Action Plan”** means the written description of the plan the Contractor will complete in order to correct any finding or deficiency as identified by HCA or government entity.

“Cost Allocation Plan” or **“CAP”** means the official document which describes the procedures that states use in identifying, measuring, and allocating state agency costs incurred in support of all

programs administered or supervised by the state agency. The Cost Allocation Plan makes explicit reference to the methodologies, claiming mechanisms, interagency agreements, and other relevant issues pertinent to the allocation of costs and submission of claims by MAC Contract acts. The Cost Allocation Plan must be reviewed and approved by CMS.

“CPE Local Match Certification” means HCA’s form the Contractor must submit with each quarterly invoice to report the source of funds certified as public expenditures and therefore eligible to be used as match for the MAC program.

“Data” means information disclosed, exchanged or used by Contractor in meeting requirements under this Agreement. Data may also include Confidential Information as defined in this Contract.

“Direct Charge Method” means the method of accounting for Direct Costs without a stepdown allocation for single funding sources expenses wholly attributed to the MAC program.

“Direct Cost” means an operating expense that is wholly attributable to the MAC program and is not already included in the Indirect Cost Rate.

“Effective Date” means the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

“Eligible Participant” or **“Participant”** or **“RMTS Participant”** means an employee of the Contractor that is in compliance with all federal, state, and HCA regulations including this Contract, the CAP, the Manual, CMS guidance, and any other requirements for participation in the MAC program and whose costs are eligible for claiming their staff time costs for conducting MAC activities.

“Federal Financial Participation” or **“FFP”** means the federal payment (or federal “match”) that is available at a rate of 50% for amounts expended by a state “as found necessary by the Secretary for the proper and efficient administration on the state plan” per 42 CFR § 433.15(b)(7). An enhanced FFP rate of seventy five percent (75%) is available for certain SPMP or interpretation administrative costs. Only permissible, non-federal funding sources are allowed to be used as the state match for FFP.

“Fiscal Coordinator” means the Contractor’s employee who is assigned to be the liaison between HCA and the Contractor for the accounting purposes of this Agreement. The Contractor may assign the fiscal and RMTS coordinator roles to the same staff if desired.

“HCA Contract Manager” means the individual identified on the cover page of this Contract who will provide oversight of the Contractor’s activities conducted under this Contract.

“Health Care Authority” or **“HCA”** means the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

“Indirect Cost” means an operating expense that is allocated across more than one program.

“Indirect Cost Rate” means the ratio, expressed as a percentage, of the Indirect Costs to a Direct Cost base as approved by the Contractor’s Cognizant Agency.

“LHJ Coordinator Manual” or **“Manual”** means the HCA document or its successor including any updates, that describes how the Contractor must manage their MAC program and provides program guidance.

“Linkage” means connecting Clients to Medicaid Covered Services.

“Local Matching Funds” means the Contractor’s non-federal tax dollars that are not otherwise obligated and are designated or certified to match the FFP rate of reimbursement. This revenue must be in the Contractor’s budget and under the Contractor’s control. These funds cannot be contributed by healthcare providers as Local Matching Funds and Subcontractors cannot certify local match funding. All local match funds must meet CPE requirements.

“MAC Activity” or **“Allowable Activity”** or **“Reimbursable Activity”** or **“Claimable Activity”** means an activity that is administrative in nature, and necessary for the proper and efficient administration for the Medicaid state plan which must be in compliance as described in applicable federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement.

“Medicaid Administrative Claiming” or **“MAC”** means the source of funding for reimbursements provided in this Agreement shared between the Contractor and the Federal Financial Participation (FFP).

“Medicaid Covered Services” means the array of federally required and Washington State legislatively appropriated medical and social services available to Medicaid Clients through the State Medicaid Plan (Apple Health).

“Medicaid Eligibility Rate” or **“MER”** means the proportional share of Medicaid individuals to the total number of individuals in the target population (Contractor’s jurisdiction) as defined in the CAP, Manual and this Agreement.

“Monitoring” means review of a Contractor’s MAC program to ensure program integrity.

“Office of Management and Budget” or **“OMB”** means a division under the Executive Office of the President of the United States.

“Operating Expense” means those costs incurred by the Contractor to perform business activities and includes both Direct Costs and Indirect Costs. Only operating expenses necessary to operate the Contractor’s MAC program are allowable for FFP reimbursement.

“Outreach” means activities undertaken by the Contractor to inform individuals, families and community members within its jurisdiction about Services available and encourage access to these Services.

“Overpayment” means any payment or benefit to the Contractor in excess of that to which the Contractor is entitled by law, rule, or this Contract, including amounts in dispute.

“Position Description” means a document summary of specific duties and responsibilities assigned to a staff position.

“Protected Health Information” or **“PHI”** means individually identifiable information that relates to the provision of health care to an individual; the past, present, or future physical or mental health or condition of an individual; or past, present, or future payment for provision of health care to an individual, as defined in 45 CFR 160.103. Individually identifiable information is information that

identifies the individual or about which there is a reasonable basis to believe it can be used to identify the individual, and includes demographic information. PHI is information transmitted, maintained, or stored in any form or medium. 45 CFR 164.501. PHI does not include education records covered by the Family Educational Rights and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

“Random Moment Time Study (RMTS)” or **“System”** or **“Time Study”** means an electronic System that quantifies the daily activities of eligible time study Participants through a statistically valid sampling methodology and allocates allowable participant costs to the MAC program. The System calculates the amount of FFP reimbursement based on the Contractors RMTS results, staff costs, MER, costs and other applicable calculations as described in the CAP, Manual and this Agreement.

“Regulation” means any federal, state, or local regulation, rule, or ordinance.

“RCW” means the Revised Code of Washington. All references in this Contract to RCW chapters or sections include any successor, amended, or replacement statute.

“RMTS Consortium” or **“RMTS Consortia”** or **“Consortium”** or **“Consortia”** means a group of Contractors who have organized together based on similar duties their staff perform, organizational structure, type of programs, scope of work, or regional working relationships and will participate in a single time study together in order to achieve statistical validity.

“RMTS Coordinator” means an employee of the Contractor who is assigned to be the time study liaison between HCA and the Contractor for purposes of this Agreement. The Contractor may assign the fiscal and RMTS coordinator roles to the same staff if desired.

“Services” means all work performed or provided by Contractor pursuant to this Contract.

“Skilled Professional Medical Personnel” or **“SPMP”** means an individual who has completed a two-or-more-year program leading to an academic degree or certificate in a medically related profession, demonstrated by possession of a medical license, certificate or other document issued by a recognized National or State medical licensure or certifying organization or a degree in a medical field issued by a college or university certified by a professional medical organization.

“State Fiscal Year” or **“SFY”** means a twelve (12) month period beginning on July 1st of one calendar year and ending on June 30th of the following calendar year. The SFY is broken into four (4) Billing Quarters.

“State Medicaid Plan” means the comprehensive written commitment by HCA, submitted under 1902(a) of the Social Security Act and approved by CMS, to administer the Washington State Medicaid program in accordance with federal and state requirements.

“Statement of Work” or **“SOW”** means a detailed description of the work activities the Contractor is required to perform under the terms and conditions of this Contract, including the deliverables and timeline, and is attached as Schedule A.

“**Subcontract**” means any separate agreement or contract between the Contractor and an individual third party or entity (“Subcontractor”) to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.

“**Subcontractor**” means a person or entity that is not in the employment of the Contractor, who is performing all or part of the business activities under this Agreement under a separate contract with Contractor. The term “Subcontractor” means Subcontractor(s) of any tier.

“**Subrecipient**” shall have the meaning given in 45 C.F.R. 75.2, or any successor or replacement to such definition, for any federal award from HHS; or 2 C.F.R. 200.93, or any successor or replacement to such definition, for any other federal award.

“**Sub-unit**” means an individual cost center or budget unit within a budget unit (LHJ).

“**Successor**” means any entity or individual which, through amalgamation, consolidation, or other legal succession becomes invested with rights and assumes burdens of the first contractor/vendor or any person who succeeds to the office, rights, responsibilities or place of another.

“**USC**” means the United States Code. All references in this Contract to USC chapters or sections will include any successor, amended, or replacement statute.

2. **STATEMENT OF WORK**

Contractor will furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the performance of work set forth in Schedule “A”

3. **PERIOD OF PERFORMANCE**

Subject to its other provisions, the period of performance of this Contract will commence on January 1, 2021, and be completed on December 31, 2022, unless terminated sooner or extended upon written agreement between the parties.

This Contract may be extended through December 31, 2026 in two (2), two (2) year increments and at HCA’s sole discretion. No change in terms and conditions will be permitted during these extensions unless specifically agreed to in writing.

4. **PAYMENT**

Compensation for the work provided in accordance with this Agreement has been established under the terms of RCW 39.34.130. Compensation for Services will be based on the Source(s) of Funds identified below.

4.1. Source of Funds for Administrative Claiming are as follows:

4.1.1. Fifty percent (50%) of funds is received from the United States Department of Health and Human Services under Medical Assistance Program CFDA 93.778; and

- 4.1.2. Fifty percent (50%) is received from the Contractor's Local Matching Funds.
- 4.2. Source of funds for Administrative Claiming for appropriately documented Skilled Professional Medical Personnel and appropriately documented Interpreter staff Administrative Claiming are as follows:
 - 4.2.1. Seventy-five percent (75%) of funds is received from the United States Department of Health and Human Services under Medical Assistance Program CFDA 93.778; and
 - 4.2.2. Twenty-five percent (25%) is received from the Contractor's Local Matching Funds.
- 4.3. HCA will not issue reimbursement for any quarters where HCA receives credible evidence or suspected evidence of a system failure that has the potential to impact the integrity of the reimbursement request. This includes but is not limited to failures related to the time study, MER calculation, claim calculation, or reconciliation.
 - 4.3.1. HCA will pursue corrective action as needed, and will restore payment after any issues related to the reimbursement request are resolved, and the requested amount is accurate.

5. **BILLING PROCEDURE**

Contractor must submit accurate invoices to the HCA Contract Manager for all amounts to be paid by HCA via e-mail to the HCA Contract Manager email address listed on the cover of this Agreement. Include the HCA Contract number in the subject line of the email.

All invoices submitted must receive approval of the HCA Contract Manager or their designee prior to payment. Approval will not be unreasonably withheld.

Contractor shall only submit invoices for Services or deliverables as permitted by this section of the Contract. The Contractor shall not bill HCA for Services performed under this Contract, and HCA shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for such Services or deliverables.

Contractor must submit properly itemized invoices to include the following information, as applicable:

- a. HCA Contract number K4648;
- b. Contractor name, address, phone number;
- c. Description of Services;
- d. Date(s) of delivery;
- e. Net invoice price for each item;
- f. Applicable taxes;

- g. Total invoice price; and
- h. Payment terms and any available prompt payment discount.

HCA will return incorrect or incomplete invoices for correction and reissue. The Agreement number must appear on all invoices, bills of lading, packages, and correspondence relating to this Agreement.

Payment will be considered timely if made within thirty (30) calendar days of receipt of properly completed invoices. Payment will be directly deposited in the bank account or sent to the address Contractor designated in this Agreement.

In order to receive payment for Services or products provided to a state agency, Contractor must register with the [Statewide Payee Desk](#). Payment will be considered timely if made by HCA within thirty (30) calendar days of receipt of properly completed invoices. Payment will be directly deposited in the bank account or sent to the address Contractor designated in its registration.

Upon expiration or termination any claims for payment for costs due and payable under this Agreement that are incurred prior to the expiration date must be submitted by Contractor within sixty (60) calendar days after the expiration date. There will be no obligation to pay any claims that are submitted sixty-one (61) or more calendar days after the expiration date (“Belated Claims”). Belated Claims will be paid at HCA’s sole discretion, and any such potential payment is contingent upon the availability of funds.

6. OVERPAYMENTS TO CONTRACTOR

In the event that overpayments or erroneous payments have been made to the Contractor under this Contract, HCA will provide written notice to Contractor and Contractor will refund the full amount to HCA within thirty (30) calendar days of the notice. If Contractor fails to make timely refund, HCA may charge Contractor one percent (1%) per month on the amount due, until paid in full. If the Contractor disagrees with HCA’s actions under this section, then it may invoke the dispute resolution provisions of Section 13, *Disputes*.

7. AGREEMENT CHANGES, MODIFICATIONS AND AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments are not binding unless they are in writing and signed by an Authorized Representative of each party.

8. SUBCONTRACTING

8.1. Neither the Contractor nor any Subcontractor shall enter into Subcontracts for any of the work contemplated under this Agreement without obtaining HCA’s prior written approval. HCA shall have no responsibility for any action of any such Subcontractors. In no event will the existence of the Subcontract operate to release or reduce the liability of Contractor to HCA for any breach in the performance of Contractor’s duties.

8.1.1. Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are included in any Subcontracts.

- 8.1.2. If at any time during the progress of the work HCA determines in its sole judgment that any Subcontractor is incompetent or undesirable, HCA will notify Contractor, and Contractor must take immediate steps to terminate the Subcontractor's involvement in the work.
- 8.1.3. The rejection or approval by the HCA of any Subcontractor or the termination of a Subcontractor will not relieve Contractor of any of its responsibilities under the Contract, nor be the basis for additional charges to HCA.
- 8.1.4. HCA has no contractual obligations to any Subcontractor or vendor under contract to the Contractor. Contractor is fully responsible for all contractual obligations, financial or otherwise, to its Subcontractors.
- 8.1.5. Contractor is prohibited from entering into Subrecipient Subcontracts for the purpose of participating in the MAC program.

9. **SUBRECIPIENT**

9.1. General

If the Contractor is a Subrecipient (as defined in 45 CFR 75.2 and 2 CFR 200.93) of federal awards, then the Contractor, in accordance with 2 CFR 200.501 and 45 CFR 75.501, shall:

- 9.1.1. Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
- 9.1.2. Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
- 9.1.3. Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
- 9.1.4. Incorporate OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 audit requirements into all agreements between the Contractor and its Subcontractors who are Subrecipients;
- 9.1.5. Comply with any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and any successor or replacement Circular or regulation;
- 9.1.6. Comply with the applicable requirements of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, and any successor or replacement Circular or regulation; and
- 9.1.7. Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments

of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to <http://ojp.gov/about/offices/ocr.htm> for additional information and access to the aforementioned Federal laws and regulations.)

9.2. Single Audit Act Compliance

If the Contractor is a Subrecipient and expends \$750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor will procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor will:

- 9.2.1. Submit to the Authority contact person the data collection form and reporting package specified in OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor; and
- 9.2.2. Follow-up and develop corrective action for all audit findings; in accordance with OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, prepare a "Summary Schedule of Prior Audit Findings."

9.3. Overpayments

- 9.3.1. If it is determined by HCA, or during the course of a required audit, that Contractor has been paid unallowable costs under this or any Program Agreement, Contractor will refund the full amount to HCA as provided in Section 6, *Overpayments to Contractor*.

10. **ASSIGNMENT**

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent will not be unreasonably withheld.

11. **CONTRACT MANAGEMENT**

The Contract Manager for each of the parties, named on the face of this Contract, will be responsible for and will be the contact person for all communications and billings regarding the performance of this Agreement. Either party must notify the other party within thirty (30) days of change of Contract Management. Changes in Contract Management shall require an amendment.

12. **DISALLOWED COSTS**

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

13. DISPUTES

In the event that a dispute arises under this Agreement, it will be determined by a Dispute Board in the following manner: Each party to this Agreement will appoint one member to the Dispute Board. The members so appointed will jointly appoint an additional member to the Dispute Board. The Dispute Board will review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board will thereafter decide the dispute with the majority prevailing. The determination of the Dispute Board will be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

14. INSURANCE

HCA certifies that it is self-insured under the State's self-insurance liability program, as provided by RCW 4.92.130, and shall pay for losses for which is found liable.

The Contractor certifies by signing this Contract that either:

- 14.1. The Contractor is self-insured or insured through a risk pool and shall pay for losses for which it is found liable, or
- 14.2. The Contractor maintains the types and amounts of insurance identified below and shall, if requested by HCA; provide certificates of insurance to that effect to the HCA contact on page one of the Agreement.

- 14.2.1. General Liability Insurance

The Contractor shall maintain Commercial General Liability Insurance, or Business Liability Insurance, including coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of premises, operations, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, HCA, and elected and appointed officials, agents, and employees of the state, shall be named as additional insureds.

In lieu of general liability insurance mentioned above, if the Contractor is a sole proprietor with less than three contracts, the Contractor may choose one of the following three general liability policies but only if attached to a professional liability policy, and if selected the policy shall be maintained for the life of this Contract:

Supplemental Liability Insurance, including coverage for bodily injury and property damage that will cover the Contractor wherever the service is performed with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The State of Washington, HCA, it's elected and appointed officials, agents, and employees shall be named as additional insureds.

14.2.2. Business Auto Liability Insurance (BAL)

The Contractor shall maintain a Business Automobile Policy on all vehicles used in the performance of work under this Contract, including vehicles hired by the Contractor or owned by the Contractor's employees, volunteers or others, with the following minimum limits: \$1,000,000 per accident combined single limit. The Contractor's carrier shall provide HCA with a waiver of subrogation or name HCA as an Additional Insured.

14.2.3. Professional Liability Insurance (PL)

The Contractor shall maintain Professional Liability Insurance or Errors & Omissions Insurance, including coverage for losses caused by errors and omissions, with the following minimum limits: Each Occurrence - \$1,000,000; Aggregate - \$2,000,000.

14.2.4. Worker's Compensation

The Contractor shall comply with all applicable Worker's Compensation, occupational disease, and occupational health and safety laws and Regulations. The State of Washington and HCA shall not be held responsible for claims filed for Worker's Compensation under Title 51 RCW by the Contractor or its employees under such laws and Regulations.

14.2.5. Employees and Volunteers

Insurance required of the Contractor under the Contract shall include coverage for the acts and omissions of the Contractor's employees and volunteers. In addition, the Contractor shall ensure that all employees and volunteers who use vehicles to transport Clients or deliver Services have personal automobile insurance and current driver's licenses.

14.2.6. Subcontractors

The Contractor shall ensure that all Subcontractors have and maintain insurance with the same types and limits of coverage as required of the Contractor under this Contract.

14.2.7. Separation of Insureds

All insurance policies shall include coverage for cross liability and contain a "Separation of Insureds" provision.

14.2.8. Insurers

The Contractor shall obtain insurance from insurance companies identified as an admitted insurer/carrier in the State of Washington, with a Best's Reports' rating of B++, Class VII, or better. Surplus Lines insurance companies will have a rating of A-, Class VII, or better.

OR

The Contractor certifies that it is self-insured, is a member of a risk pool, or maintains the types and amounts of insurance identified above and will provide certificates of insurance to that effect to HCA upon request.

Upon request, Contractor must submit to HCA a certificate of insurance that outlines the coverage and limits defined in the Insurance section. If a certificate of insurance is requested, Contractor must submit renewal certificates as appropriate during the term of the contract.

14.2.9. Evidence of Coverage

The Contractor, upon request by HCA staff, submits a copy of the Certificate of Insurance, policy, and additional insured endorsement for each coverage required of the Contractor under this Contract. The Certificate of Insurance shall identify HCA as the Certificate Holder. A duly Authorized Representative of each insurer, showing compliance with the insurance requirements specified in this Contract, shall execute each Certificate of Insurance. The Contractor is not required to submit to the HCA copies of Certificates of Insurance for personal automobile insurance required of the Contractor's employees and volunteers under the Contract.

The Contractor shall maintain copies of Certificates of Insurance for each Subcontractor as evidence that each Subcontractor maintains insurance as required by the Contract.

14.2.10. Material Changes

The insurer shall give HCA 45 days advance written notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the insurer shall give HCA ten (10) days advance written notice of cancellation.

14.2.11. General

By requiring insurance, the State of Washington and HCA do not represent that the coverage and limits specified will be adequate to protect the Contractor. Such coverage and limits shall not be construed to relieve the Contractor from liability in excess of the required coverage and limits and shall not limit the Contractor's liability under the indemnities and reimbursements granted to the State and HCA in this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

15. LEGAL AND REGULATORY COMPLIANCE

15.1. During the term of this Contract, Contractor must comply with all local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this Contract and all other applicable federal, state and local laws, rules, and regulations.

15.2. Failure to comply with any provisions of this section may result in Contract termination.

16. NONDISCRIMINATION

During the performance of this Contract, the Contractor must comply with all federal and state nondiscrimination laws, regulations and policies, including but not limited to: Title VII of the Civil Rights Act, 42 U.S.C. §12101 et seq.; the Americans with Disabilities Act of 1990 (ADA), 42

U.S.C. §12101 et seq., 28 CFR Part 35; and Title 49.60 RCW, Washington Law Against Discrimination. In the event of Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation or policy, this Contract may be rescinded, canceled, or terminated in whole or in part under Section 29, *Termination for Cause*, and Contractor may be declared ineligible for further contracts with HCA.

17. PAY EQUITY

- 17.1. Contractor represents and warrants that, as required by Washington state law (Engrossed House Bill 1109, Sec. 211), during the term of this Contract, it agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals. For purposes of this provision, employees are similarly employed if (i) the individuals work for Contractor, (ii) the performance of the job requires comparable skill, effort, and responsibility, and (iii) the jobs are performed under similar working conditions. Job Titles alone are not determinative of whether employees are similarly employed.
- 17.2. Contractor may allow differentials in compensation for its workers based in good faith on any of the following: (i) a seniority system; (ii) a merit system; (iii) a system that measures earnings by quantity or quality of production; (iv) bona fide job-related factor(s); or (v) a bona fide regional difference in compensation levels.
- 17.3. Bona fide job-related factor(s)" may include, but not be limited to, education, training, or experience, that is: (i) consistent with business necessity; (ii) not based on or derived from a gender-based differential; and (iii) accounts for the entire differential.
- 17.4. A "bona fide regional difference in compensation level" must be (i) consistent with business necessity; (ii) not based on or derived from a gender-based differential; and (iii) account for the entire differential.
- 17.5. Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) Days of HCA's request for such evidence, HCA may suspend or terminate this Contract.

18. GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement will be construed to conform to those laws.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency will be resolved by giving precedence in the following order:

- 18.1. Applicable state and federal statutes and rules;
- 18.2. Recitals;
- 18.3. Special Terms & Conditions;

- 18.4. General Terms & Conditions;
- 18.5. Attachment 1: *Confidential Information Security Requirements*;
- 18.6. Attachment 2: *Federal Compliance, Certifications and Assurances*;
- 18.7. Attachment 3: *Federal Award Identification for Subrecipients*;
- 18.8. Attachment 4: *Federal Funding Accountability and Transparency Act Data Collection Form*;
- 18.9. Schedule A, *Statement of Work*, and
- 18.10. Any other provisions of the Agreement, including materials incorporated by reference.

19. INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement will not be considered for any purpose to be employees or agents of the other party.

20. RECORDS MAINTENANCE

The parties to this Agreement will each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and Indirect Costs expended by either party in the performance of the Services described herein. These records will be subject to inspection, review or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six (6) years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties will have full access and the right to examine any of these materials during this period.

Records and other documents, in any medium, furnished by one party to this Agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third parties without first giving notice to the furnishing party and giving it a reasonable opportunity to respond. Each party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

21. RIGHTS IN DATA

Unless otherwise provided, data which originates from this Agreement will be "works for hire" as defined by the U.S. Copyright Act of 1976 and will be owned by HCA. Data will include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes and/or sound reproductions. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

22. CONFIDENTIALITY

Each party agrees not to divulge, publish or otherwise make known to unauthorized persons confidential information accessed under this Agreement. Contractor agrees that all materials containing confidential information received pursuant to this Agreement, including, but not limited to information derived from or containing patient records, claimant file and medical case management report information, relations with HCA's Clients and its employees, and any other information which may be classified as confidential, shall not be disclosed to other persons without HCA's written consent except as may be required by law.

23. CONFIDENTIAL INFORMATION PROTECTION

Contractor acknowledges that some of the material and information that may come into its possession or knowledge in connection with this Contract or its performance may consist of Confidential Information. Contractor agrees to hold Confidential Information in strictest confidence and not to make use of Confidential Information for any purpose other than the performance of this Contract, to release it only to authorized employees or Subcontractors requiring such information for the purposes of carrying out this Contract, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make the information known to any other party without HCA's express written consent or as provided by law. Contractor agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to Confidential Information (See Attachment 1: Confidential Information Security Requirements).

24. RIGHTS OF STATE AND FEDERAL GOVERNMENTS

In accordance with 45 C.F.R. 95.617, all appropriate state and federal agencies, including but not limited to the Centers for Medicare and Medicaid Services (CMS), will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for Federal Government purposes: (i) software, modifications, and documentation designed, developed or installed with Federal Financial Participation (FFP) under 45 CFR Part 95, subpart F; (ii) the Custom Software and modifications of the Custom Software, and associated Documentation designed, developed, or installed with FFP under this Contract; (iii) the copyright in any work developed under this Contract; and (iv) any rights of copyright to which Contractor purchases ownership under this Contract.

25. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference will be held invalid, such invalidity will not affect the other provisions of this Agreement, which can be given effect without the invalid provision if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

26. FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT (FFATA)

26.1. This Contract is supported by federal funds that require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The

purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

- 26.2. To comply with the act and be eligible to enter into this Contract, Contractor must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If Contractor does not already have one, a DUNS® number is available free of charge by contacting Dun and Bradstreet at www.dnb.com.
- 26.3. Information about Contractor and this Contract will be made available on www.uscontractorregistration.com by HCA as required by P.L. 109-282. HCA's Attachment 4: Federal Funding Accountability and Transparency Act Data Collection Form, is considered part of this Contract and must be completed and returned along with the Contract.

27. FUNDING AVAILABILITY

HCA's ability to make payments is contingent on funding availability. In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the Effective Date and prior to completion or expiration date of this Agreement, HCA, at its sole discretion, may elect to terminate the Agreement, in whole or part, or to renegotiate the Agreement subject to new funding limitations and conditions. HCA may also elect to suspend performance of the Agreement until HCA determines the funding insufficiency is resolved. HCA may exercise any of these options with no notification restrictions.

28. TERMINATION

Either party may terminate this Agreement upon thirty (30) days' prior written notification to the other party. If this Agreement is so terminated, the parties will be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the Effective Date of termination.

29. TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within fifteen (15) working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

30. WAIVER

A failure by either party to exercise its rights under this Agreement will not preclude that party from subsequent exercise of such rights and will not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an Authorized Representative of the party and attached to the original Agreement.

31. ALL WRITINGS CONTAINED HEREIN

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement will be deemed to exist or to bind any of the parties hereto.

32. SURVIVORSHIP

The terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, expiration or termination of this Agreement shall so survive. In addition, the terms of the sections titled Rights in Data, Confidentiality, Disputes and Records Maintenance shall survive the termination of this Agreement.

Attachments

Attachment 1: Confidential Information Security Requirements

Attachment 2: Federal Compliance, Certifications and Assurances

Attachment 3: Federal Award Identification for Subrecipients

Attachment 4: Federal Funding Accountability and Transparency Act Data Collection Form

Schedules

Schedule A: Statement of Work (SOW) Medicaid Administrative Claiming (MAC) Services

Attachment 1

Confidential Information Security Requirements

1. Definitions

In addition to the definitions set out in Section 1, *Definitions*, of this Contract for Medicaid Administrative Claiming (MAC) Services, the definitions below apply to this attachment.

- a. "Hardened Password" means a string of characters containing at least three of the following character classes: upper case letters; lower case letters; numerals; and special characters, such as an asterisk, ampersand or exclamation point.
 - i. Passwords for external authentication must be a minimum of ten (10) characters long.
 - ii. Passwords for internal authentication must be a minimum of eight (8) characters long.
 - iii. Passwords used for system service or service accounts must be a minimum of twenty (20) characters long.
- b. "Portable/Removable Media" means any Data storage device that can be detached or removed from a computer and transported, including but not limited to: optical media (e.g. CDs, DVDs); USB drives; or flash media (e.g. CompactFlash, SD, MMC).
- c. "Portable/Removable Devices" means any small computing device that can be transported, including but not limited to: handhelds/PDAs/Smartphones; Ultramobile PC's, flash memory devices (e.g. USB flash drives, personal media players); and laptops/notebook/tablet computers. If used to store Confidential Information, devices should be Federal Information Processing Standards (FIPS) Level 2 compliant.
- d. "Secured Area" means an area to which only Authorized Users have access. Secured Areas may include buildings, rooms, or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
- e. "Transmitting" means the transferring of data electronically, such as via email, SFTP, webservices, AWS Snowball, etc.
- f. "Trusted System(s)" means the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State

Governmental Network (SGN) is a Trusted System for communications within that Network.

- g. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase, or other mechanism, authenticates a user to an information system.

2. Confidential Information Transmitting

- a. When transmitting HCA's Confidential Information electronically, including via email, the Data must be encrypted using NIST 800-series approved algorithms (<http://csrc.nist.gov/publications/PubsSPs.html>). This includes transmission over the public internet.
- b. When transmitting HCA's Confidential Information via paper documents, the Receiving Party must use a Trusted System.

3. Protection of Confidential Information

The Contractor agrees to store Confidential Information as described:

- a. Data at Rest:
 - i. Data will be encrypted with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the data. Access to the Data will be restricted to Authorized Users through the use of access control lists, a Unique User ID, and a Hardened Password, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Systems which contain or provide access to Confidential Information must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
 - ii. Data stored on Portable/Removable Media or Devices:
 - Confidential Information provided by HCA on Removable Media will be encrypted with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the Data.
 - HCA's data must not be stored by the Receiving Party on Portable Devices or Media unless specifically authorized within the Data Share Agreement. If so authorized, the Receiving Party must protect the Data by:
 1. Encrypting with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the data;

2. Control access to the devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics;
 3. Keeping devices in locked storage when not in use;
 4. Using check-in/check-out procedures when devices are shared;
 5. Maintain an inventory of devices; and
 6. Ensure that when being transported outside of a Secured Area, all devices with Data are under the physical control of an Authorized User.
- b. Paper documents. Any paper records containing Confidential Information must be protected by storing the records in a Secured Area that is accessible only to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

4. Confidential Information Segregation

HCA Confidential Information received under this Contract must be segregated or otherwise distinguishable from non-HCA data. This is to ensure that when no longer needed by the Contractor, all HCA Confidential Information can be identified for return or destruction. It also aids in determining whether HCA Confidential Information has or may have been compromised in the event of a security Breach.

- a. The HCA Confidential Information must be kept in one of the following ways:
 - i. On media (e.g. hard disk, optical disc, tape, etc.) which will contain only HCA Data; or
 - ii. In a logical container on electronic media, such as a partition or folder dedicated to HCA's Data; or
 - iii. In a database that will contain only HCA Data; or
 - iv. Within a database and will be distinguishable from non-HCA Data by the value of a specific field or fields within database records; or
 - v. When stored as physical paper documents, physically segregated from non-HCA Data in a drawer, folder, or other container.
- b. When it is not feasible or practical to segregate HCA Confidential Information from non-HCA data, then both the HCA Confidential Information and the non-HCA data with which it is commingled must be protected as described in this Attachment.

5. Confidential Information Shared with Subcontractors

If HCA Confidential Information provided under this Contract is to be shared with a Subcontractor, the contract with the Subcontractor must include all of the Confidential Information Security Requirements.

6. Confidential Information Disposition

When the Confidential Information is no longer needed, except as noted below, the Confidential Information must be returned to HCA or destroyed. Media are to be destroyed using a method documented within NIST 800-88 (<http://csrc.nist.gov/publications/PubsSPs.html>).

- a. For HCA's Confidential Information stored on network disks, deleting unneeded Confidential Information is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in Section 3, *Protection of Confidential Information*. Destruction of the Confidential Information as outlined in this section of this Attachment may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

Attachment 2

Federal Compliance, Certifications, and Assurances

- I. **FEDERAL COMPLIANCE** - The use of federal funds requires additional compliance and control mechanisms to be in place. The following represents the majority of compliance elements that may apply to any federal funds provided under this contract. For clarification regarding any of these elements or details specific to the federal funds in this contract, contact: **Jon Brogger**.
- a. **Source of Funds *Medical Assistance Program***: This Contract is being funded partially or in full through Cooperative Contract number **21-05WA5ADM**, the full and complete terms and provisions of which are hereby incorporated into this Contract. Federal funds to support this Contract are identified by the Catalog of Federal Domestic Assistance (CFDA) number **93.778** in the amount of ***no maximum, reimbursement based*** on percentages. The sub-awardee is responsible for tracking and reporting the cumulative amount expended under HCA Contract **K4648**.
 - b. **Period of Availability of Funds *Medical Assistance Program***: Pursuant to 45 CFR 92.23, Sub-awardee may charge to the award only costs resulting from obligations of the funding period specified in **21-05WA5ADM** unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period. All obligations incurred under the award must be liquidated no later than 90 days after the end of the funding period.
 - c. **Single Audit Act**: Contractor or Subrecipient (including private, for-profit hospitals and non-profit institutions) shall adhere to the federal Office of Management and Budget (OMB) Super Circular 2 CFR 200.501 and 45 CFR 75.501. A Contractor or Subrecipient who expends \$750,000 or more in federal awards during a given fiscal year shall have a single or program-specific audit for that year in accordance with the provisions of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501.
 - d. **Modifications**: This Contract may not be modified or amended, nor may any term or provision be waived or discharged, including this particular Paragraph, except in writing, signed upon by both parties.
 1. Examples of items requiring Health Care Authority prior written approval include, but are not limited to, the following:
 - i. Deviations from the budget and Project plan.
 - ii. Change in scope or objective of the Contract.
 - iii. Change in a key person specified in the Contract.
 - iv. The absence for more than one (1) months or a 25% reduction in time by the Project Manager/Director.
 - v. Need for additional funding.
 - vi. Inclusion of costs that require prior approvals as outlined in the appropriate cost principles.
 - vii. Any changes in budget line item(s) of greater than twenty percent (20%) of the total budget in this Contract.
 2. No changes are to be implemented by the Sub-awardee until a written notice of approval is received from the Health Care Authority.
 - e. **Sub-Contracting**: The Contractor or Subrecipient shall not enter into a sub-contract for any of the work performed under this Contract without obtaining the prior written approval of the Health Care Authority. If sub-contractors are approved by the Health Care Authority, the subcontract, shall contain, at a minimum, sections of the Contract pertaining to Debarred and Suspended Vendors, Lobbying certification, Audit requirements, and/or any other project Federal, state, and local requirements.
 - f. **Condition for Receipt of Health Care Authority Funds**: Funds provided by Health Care Authority to the Contractor or Subrecipient under this Contract may not be used by the Contractor or Subrecipient as a match or cost-sharing provision to secure other federal monies without prior written approval by the Health Care Authority.
 - g. **Unallowable Costs**: The Contractor or Subrecipient's expenditures shall be subject to reduction for amounts included in any invoice or prior payment made which determined by HCA not to constitute allowable costs on the basis of audits, reviews, or monitoring of this Contract.

- h. *Supplanting Compliance: SABG:* If SABG funds support this Contract, the Block Grant will not be used to supplant State funding of alcohol and other drug prevention and treatment programs. (45 CFR section 96.123(a)(10)).
- i. *Citizenship/Alien Verification/Determination:* The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (PL 104-193) states that federal public benefits should be made available only to U.S. citizens and qualified aliens. Entities that offer a service defined as a “federal public benefit” must make a citizenship/qualified alien determination/ verification of applicants at the time of application as part of the eligibility criteria. Non-US citizens and unqualified aliens are not eligible to receive the services. PL 104-193 also includes specific reporting requirements.
- j. *Federal Compliance:* The Contractor or Subrecipient shall comply with all applicable State and Federal statutes, laws, rules, and regulations in the performance of this Contract, whether included specifically in this Contract or not.
- k. *Civil Rights and Non-Discrimination Obligations:* During the performance of this Contract, the Contractor or Subrecipient shall comply with all current and future federal statutes relating to nondiscrimination. These include but are not limited to: Title VI of the Civil Rights Act of 1964 (PL 88-352), Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681-1683 and 1685-1686), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101- 6107), the Drug Abuse Office and Treatment Act of 1972 (PL 92-255), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (PL 91-616), §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290dd-3 and 290ee-3), Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), and the Americans with Disability Act (42 U.S.C., Section 12101 et seq.) <http://www.hhs.gov/ocr/civilrights>.

HCA Federal Compliance Contact Information

Federal Grants and Budget Specialist Health Care Policy
 Washington State Health Care Authority
 Post Office Box 42710
 Olympia, Washington 98504-2710

II. **CIRCULARS ‘COMPLIANCE MATRIX’** - The following compliance matrix identifies the OMB Circulars that contain the requirements which govern expenditure of federal funds. These requirements apply to the Washington State Health Care Authority (HCA), as the primary recipient of federal funds and then follow the funds to the sub-awardee, **Kitsap Public Health District**. The federal Circulars which provide the applicable administrative requirements, cost principles and audit requirements are identified by sub-awardee organization type.

	OMB CIRCULAR		
ENTITY TYPE	ADMINISTRATIVE REQUIREMENTS	COST PRINCIPLES	AUDIT REQUIREMENTS
State, Local and Indian Tribal Governments and Governmental Hospitals	OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501		
Non-Profit Organizations and Non-Profit Hospitals			
Colleges or Universities and Affiliated Hospitals			
For-Profit Organizations			

III. **STANDARD FEDERAL CERTIFICATIONS AND ASSURANCES** - Following are the Assurances, Certifications, and Special Conditions that apply to all federally funded (in whole or in part) Contracts administered by the Washington State Health Care Authority.

- a. **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION** : The undersigned (authorized official signing for the contracting organization) certifies to the best of his or her knowledge and belief, that the contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals: are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency have not within a 3-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in Section 2 of this certification; and have not within a 3-year period preceding this contract had one or more public transactions (Federal, State, or local) terminated for cause or default.

Should the Contractor or Subrecipient not be able to provide this certification, an explanation as to why should be placed after the assurances page in the contract.

The contractor agrees by signing this contract that it will include, without modification, the clause above certification in all lower tier covered transactions (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 45 CFR Part 76.

- b. **CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS:** The undersigned (authorized official signing for the contracting organization) certifies that the contractor will, or will continue to, provide a drug-free workplace in accordance with 45 CFR Part 76 by:
1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition; Establishing an ongoing drug-free awareness program to inform employees about
 - i. The dangers of drug abuse in the workplace;
 - ii. The contractor's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 2. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by paragraph (I) above;
 3. Notifying the employee in the statement required by paragraph (I), above, that, as a condition of employment under the contract, the employee will—
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
 4. Notifying the agency in writing within ten calendar days after receiving notice under paragraph (III)(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every contract officer or other designee on whose contract activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 5. Taking one of the following actions, within thirty (30) calendar days of receiving notice under paragraph (III) (b), with respect to any employee who is so convicted—

- i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
6. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (I) through (V).

For purposes of paragraph (V) regarding agency notification of criminal drug convictions, Authority has designated the following central point for receipt of such notices:

Legal Services Manager
WA State Health Care Authority
PO Box 42700
Olympia, WA 98504-2700

- c. **CERTIFICATION REGARDING LOBBYING:** Title 31, United States Code, Section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," generally prohibits recipients of Federal grants and cooperative Contracts from using Federal (appropriated) funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a SPECIFIC grant or cooperative Contract. Section 1352 also requires that each person who requests or receives a Federal grant or cooperative Contract must disclose lobbying undertaken with non-Federal (nonappropriated) funds. These requirements apply to grants and cooperative Contracts EXCEEDING \$100,000 in total costs (45 CFR Part 93).

The undersigned (authorized official signing for the contracting organization) certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Contract, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Contract.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Contract, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. (If needed, Standard Form-LLL, "Disclosure of Lobbying Activities," its instructions, and continuation sheet are included at the end of this application form.)
3. The undersigned shall require that the language of this certification be included in the award documents for all subcontracts at all tiers (including subcontracts, subcontracts, and contracts under grants, loans and cooperative Contracts) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- d. **CERTIFICATION REGARDING PROGRAM FRAUD CIVIL REMEDIES ACT (PFCRA):** The undersigned (authorized official signing for the contracting organization) certifies that the statements herein are true, complete, and accurate to the best of his or her knowledge, and that he or she is aware that any false, fictitious, or fraudulent statements or claims may subject him or her to criminal, civil, or administrative penalties. The undersigned agrees that the contracting organization will comply with the Public Health Service terms and conditions of award if a contract is awarded.

- e. **CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE:** Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residence, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole source of applicable Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing the certification, the undersigned certifies that the contracting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The contracting organization agrees that it will require that the language of this certification be included in any subcontracts which contain provisions for children's services and that all sub-recipients shall certify accordingly.

The Public Health Services strongly encourages all recipients to provide a smoke-free workplace and promote the non-use of tobacco products. This is consistent with the PHS mission to protect and advance the physical and mental health of the American people.

f. **CERTIFICATION REGARDING OTHER RESPONSIBILITY MATTERS**

1. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective contractor shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective contractor to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
2. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective contractor knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.
3. The prospective contractor shall provide immediate written notice to the department or agency to whom this contract is submitted if at any time the prospective contractor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the person to whom this contract is submitted for assistance in obtaining a copy of those regulations.
5. The prospective contractor agrees by submitting this contract that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by Authority.
6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

- 7. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, HCA may terminate this transaction for cause or default.

CONTRACTOR SIGNATURE REQUIRED

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL <small>DocuSigned by:</small> Keith Grellner <small>612B11BE698E424...</small>	TITLE Administrator
Please also print or type name: keith Grellner	
ORGANIZATION NAME: (if applicable) Kitsap Public Health District	DATE 12/3/2020

Attachment 3

Federal Award Identification for Subrecipients (reference 2 CFR 200.331)

(i) Subrecipient name (which must match the name associated with its unique entity identifier);	Kitsap Public Health District
(ii) Subrecipient's Data Universal Numbering System (DUNS®) unique entity identifier	169167202
(iii) Federal Award Identification Number (FAIN);	21-05WA5ADM
(iv) Federal Award Date (see §200.39 Federal award date);	10/01/2020
(v) Subaward Period of Performance Start and End Date;	01/01/2021 – 12/31/2021
(vi) Amount of Federal Funds Obligated by this action;	No Maximum – Reimbursement based on percentages.
(vii) Total Amount of Federal Funds Obligated to the Subrecipient;	No Maximum – Reimbursement based on percentages.
(viii) Total Amount of the initial Federal Award;	\$2,622,877,000.
(ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);	
(x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official	CMS WA State Health Care Authority Jon Brogger, HCA Contract Manager 626 8th Ave SE; Olympia, WA 98504-5330 jon.brogger@hca.wa.gov
(xi) Catalog of Federal Domestic Assistance (CFDA) Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;	93.778 Medical Assistance Program
(xii) Identification of whether the award is Research & Development; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(xiii) Indirect Cost Rate for the Federal award, including if the de minimis rate is charged per §200.414 Indirect (Facilities & Administrative) costs.	

Attachment 4

Federal Funding Accountability and Transparency Act (FFATA) Data Collection Form

This Contract is supported by federal funds that require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

To comply with the act and be eligible to enter into this contract, your organization must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If you do not already have one, you may receive a DUNS® number free of charge by contacting Dun and Bradstreet at www.dnb.com.

Required Information about your organization and this contract will be made available on USASpending.gov by HCA as required by P.L. 109-282. As a tool to provide the information, HCA encourages registration with the Central Contractor Registry (CCR) because less data entry and re-entry is required by both HCA and your organization. You may register with CCR on-line at <https://www.uscontractorregistration.com/>.

CONTRACTOR

Legal Name Kitsap Public Health District	DUNS Number 169167202
Principle Place of Performance 345 6th Street Suite 300	Congressional District 6
3b. City Bremerton	State Washington
3d. Zip+4 98337	Country United States

Are you registered in CCR (<https://www.uscontractorregistration.com/>)? YES (skip to page 2. Sign, date and return) NO

In the preceding fiscal year did your organization:

Receive 80% or more of annual gross revenue from procurement federal contracts, Subcontracts, grants, loans, sub-grants, and/or cooperative agreements; **and**

\$25,000,000 or more in annual gross revenues from federal procurement contracts, Subcontracts, grants, loans, subgrants, and/or cooperative agreements; **and**

The public does not have access to information about the compensation of the executives through periodic reports filed with the IRS or the Security and Exchange Commission per 2 CFR Part 170.330

NO (skip the remainder of this section - Sign, date and return)

YES (You must report the names and total compensation of the top 5 highly compensated officials of your organization).

Name Of Official	Total Compensation
1.	
2.	
3.	
4.	
5.	

Note: "Total compensation" means the cash and noncash dollar value earned by the executive during the sub-recipient's past fiscal year of the following (for more information see 17 CFR 229.402 (c) (2))

Signature of Contractor Authorized Representative <small>DocuSigned by:</small> Keith Grellner	Date 12/3/2020
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By signing this document, the Contractor Authorized Representative attests to the information.

HCA will not endorse the Contractor's sub-award until this form is completed and returned.

FOR HEALTH CARE AUTHORITY USE ONLY

HCA Contract Number: K
Sub-award Project Description (see instructions and examples below)

Instructions for Sub-award Project Description:

In the first line of the description provide a title for the sub-award that captures the main purpose of the Subrecipients work. Then, indicate the name of the Subrecipient and provide a brief description that captures the overall purpose of the sub-award, how the funds will be used, and what will be accomplished.

Example of a Sub-award Project Description:

Increase Healthy Behaviors: Educational Services District XYZ will provide training and technical assistance to chemical dependency centers to assist the centers to integrate tobacco use into their existing addiction treatment programs. Funds will also be used to assist centers in creating tobacco free treatment environments.

Schedule A

Statement of Work

The purpose of this Agreement is to support Medicaid related outreach and linkage activities performed by Local Health Jurisdictions (LHJ) to Washington State residents who live within its jurisdiction. These activities assist residents who have no or inadequate medical coverage, and includes explaining the benefits of the Medicaid program, assisting them in the Medicaid application and renewal processes, and linking them to Medicaid covered services. This Agreement provides a process for partially reimbursing the Contractor for allowable and reasonable expenses associated with the time its staff spend performing Medicaid Administrative Claiming (MAC) activities.

The Contractor must provide staff and perform all activities necessary to do the work outlined in this Agreement.

1. Contractor Responsibilities

The Contractor is responsible for monitoring its MAC program to ensure compliance with all applicable laws, regulations and guidelines specific to the MAC program as described in this Agreement and comply with all roles, responsibilities, limitations, restrictions, and documentation requirements described in the CAP, Manual, associated federal and state regulations, and this Agreement. Only expenses that are reasonable and allowable, are permitted for reimbursement. HCA expects the MAC program to be managed similarly to other federal awards and expects the RMTS and Fiscal coordinators to report to, or work closely, with an administrator assigned oversight authority of the LHJ.

The Contractor must:

- 1.1. Provide the necessary staff to perform the allowable MAC activities described in the Cost Allocation Plan (CAP), and perform the work necessary to ensure all applicable laws, regulations and guidelines specific to the MAC program and this Agreement are in compliance including but not limited to:
 - 1.1.1. Code of Federal Regulation (CFR) Title 42 and Title 45;
 - 1.1.2. 1903(w)(6)(A) of the Social Security Act;
 - 1.1.3. Medicaid School-Based Administrative Claiming Guide May 2003;
 - 1.1.4. Revised Code of Washington (RCW);
 - 1.1.5. The LHJ MAC Coordinator Manual;
 - 1.1.6. HCA-approved MAC training documents;
 - 1.1.7. 2 CFR 225 Cost Principles for State, Local, and Indian Tribal Governments;
 - 1.1.8. OMB Compliance Supplements;

- 1.1.9. Washington State Medicaid Plan; and
 - 1.1.10. Secretary of State (SOS) records retention schedule.
- 1.2. Maintain documentation to support each administrative claim submitted to HCA for reimbursement as required by federal, state, HCA and CMS Regulations, the CAP, the Manual and this Agreement. The documentation must be sufficiently detailed in order to determine whether the activities are necessary for the proper and efficient administration of the Medicaid State Plan and support the appropriateness of the administrative claim.

The Contractor must:

- 1.2.1.1. Maintain all documentation related to staff participation in the RMTS according to section 1902(a)(4) of the Act and 42 CFR § 431.17; see also 45 CFR § 74.53 and 42 CFR § 433.32(a) (requiring source documentation to support accounting records) and 45 CFR § 74.20 and 42 CFR § 433.32(b and c) (retention period for records) and as described in the Medicaid School-Based Administrative Claiming Guide May 2003;
 - 1.2.1.2. Maintain all documentation related to MAC claiming, according to section 1902(a)(4) of the Act and 42 CFR § 431.17; see also 45 CFR § 74.53 and 42 CFR § 433.32(a) (requiring source documentation to support accounting records) and 45 CFR § 74.20 and 42 CFR § 433.32(b and c) (retention period for records) and as described in Medicaid School-Based Administrative Claiming Guide May 2003;
 - 1.2.1.3. Comply with the SOS records retention schedule;
 - 1.2.1.4. Assure all documentation is immediately accessible and available, must be in a useful and readable format, and must be stored electronically within the System at every opportunity as determined by HCA;
 - 1.2.1.5. Provide any and all information and documentation requested by HCA within thirty (30) business days, or within a written, mutually agreed upon time frame; and
 - 1.2.1.6. Submit any Audit related to its MAC program to HCA within thirty (30) business days of receipt of the final report. This includes but is not limited to SAO Audits, OMB Circular Compliance Supplement Audits, Federal Reviews or Federal Audits. The contractor must provide to HCA, any corrective action related to MAC findings and questioned costs within thirty (30) business days of submission.
- 1.3. Abide by all roles, responsibilities, limitations, restrictions, and documentation requirements including but not limited to those described in the CAP, the Manual, and this Agreement.

- 1.4. Only include staff in the claimed reimbursement (through the RMTS or direct charge method) who are eligible to participate. The Contractor is prohibited from including any staff in the RMTS or the claimed reimbursement unless their job positions comply with the criteria described in the CAP, the Manual, and this Agreement.

Staff who may be eligible to be included in the RMTS or claimed reimbursement must:

- 1.4.1. Not be included in another MAC time study or reimbursement claim;
 - 1.4.2. Be directly employed or contracted by the LHJ, or an HCA approved Subcontractor;
 - 1.4.3. Be reasonably expected to perform MAC related activities;
 - 1.4.4. Have all federal dollars appropriately off-set according to the CAP and Manual;
 - 1.4.5. Not be included in the calculation of an indirect cost rate that is used to calculate FFP reimbursement;
 - 1.4.6. Not include any Federally Qualified Health Clinic (FQHC) staff (or expenses) whose costs are included in the FQHC cost report; and
 - 1.4.7. Be job positions that fit within these job categories: nurses, other medical professionals, other professional classifications, community outreach and linkage classifications, manager/supervisor/administrator classifications, or administrative support classifications as described in the CAP and Manual.
- 1.5. Designate staff for an RMTS Coordinator and a Fiscal Coordinator to be responsible for daily oversight and management of the Contractor's MAC program.
 - 1.5.1. The RMTS and Fiscal Coordinator roles may be assumed by one individual if desired.
 - 1.5.2. The Contractor must submit contact information to the HCA Contract Manager for each coordinator, including their assigned role, name, telephone number, fax number, email, and address prior to participation in the MAC program, within seven (7) calendar days of the change.
 - 1.5.3. The Contractor must ensure the Coordinators accurately perform all responsibilities listed in the CAP, the Manual, and this Agreement. Including but not limited to the following:
 - 1.5.3.1. The Coordinators must participate in the monthly statewide coordinator conference calls;
 - 1.5.3.2. The Coordinators must participate in any scheduled RMTS consortium conference calls; and
 - 1.5.3.3. The Coordinators must ensure federal, state, and HCA MAC policies are implemented.
 - 1.6. Certify all data entered into the System is true and accurate, and based on actual expenditures incurred during the period of performance of the invoice. This certification

must be maintained within the System. This includes, but is not limited to: calendaring, Staff/Participant lists, salary and benefits, direct charges or other claimed costs, indirect rate, MER, and any other data used to generate a claim to HCA for reimbursement.

- 1.7. Verify all data that is determined necessary to be stored electronically within the System or other associated websites, or databases as described in the CAP, Manual and this Agreement is physically entered and stored according to the SOS Retention Schedule. This data includes, but is not limited to: calendaring, Staff/Participant lists, salary and benefits, direct charges or other claimed costs, indirect rate, MER, and any other data used to generate a claim to HCA for reimbursement.
- 1.8. Prepare an annual MER proposal to include the MER calculation and formula, the data sources used to determine the MER, the data collection process, the Contractor's monitoring process to ensure accuracy of the MER and any other relevant information.
 - 1.8.1. The proposal must be submitted to HCA no later than December first of each year.
 - 1.8.2. The proposal must be updated and re-submitted if the data source or collection, calculations, or monitoring changes thirty (30) business days prior to the change.
- 1.9. Submit a quarterly CPE certification identifying the revenue account codes as found in the BARS manual with each invoice validating the accuracy of the CPE.
- 1.10. Submit an annual certificate of indirect costs that certifies the accuracy of indirect cost rate proposal submitted to their Cognizant Agency each January.
- 1.11. Certify the accuracy of all data used to determine a quarterly MAC reimbursement by signing the A19 by an Authorized Representative. This certification extends to all RMTS data, MER data and financial data.
- 1.12. Complete a one hundred percent (100%) code review of all RMTS moments to ensure the code and narrative correlate, within forty five (45) calendar days after the end of the quarter.
- 1.13. Finalize and certify the accuracy of the 10% quality assurance review no more than 10 (ten) calendar days after the 10% review is received.
- 1.14. Monitor the RMTS non response rate, identify and take corrective action to resolve any deficiencies in staff responses.

Corrective action must:

 - 1.14.1. Be implemented within ten (10) business days; and
 - 1.14.2. Be documented and available to HCA upon request.
- 1.15. Use a System that is statistically valid and in compliance with all state, and federal laws and Regulations whether through a third-party or other means as stated in the CAP.
- 1.16. Not participate in a time study or claiming process for the HCA MAC program with any entity that does not have an executed agreement with HCA.

- 1.17. Not participate in an RMTS consortium without prior written approval from HCA and express, written approval of the Consortia organization and membership.
 - 1.17.1. If identified as a Lead Agency for the RMTS Consortium, the Contractor must perform the Lead Agency duties described in the CAP and Manual and participate in the current statewide LHJ Steering Committee.
- 1.18. Ensure all interpreter staff have been tested and certified by Washington State Department of Social and Health Services (DSHS) as defined by DSHS. The Contractor is prohibited from claiming the enhanced seventy five percent (75%) rate for any interpretation activities unless:
 - 1.18.1. The staff has been certified by DSHS;
 - 1.18.2. The MAC activities performed are part of the staff's assigned job duties; and
 - 1.18.3. The allowable MAC activity was performed on behalf of children under twenty one (21).
- 1.19. Ensure all Coordinators and Participants have completed and have certified their understanding of the training prior to participating in the MAC program, and annually thereafter. The contractor is prohibited from allowing any staff to participate in the program unless they have completed and have certified their understanding of the training.

The Contractor must:

 - 1.19.1. Ensure all Coordinators receive HCA approved training prior to participation;
 - 1.19.2. is prohibited from using any training materials without express, written approval from HCA;
 - 1.19.3. Ensure all Participants certify completion of the online training before performing any duties within the System or participating in the RMTS;
 - 1.19.4. Ensure all Participants fully understand each Activity Code and how to answer moments according to what activity they are doing exactly at the sampled moment;
 - 1.19.5. Train all Participants to maintain proper documentation for MAC related activities;
 - 1.19.6. Only use training materials that have been approved in writing by HCA; and
 - 1.19.7. Track the completion and certification of training within the System, and must be available upon request by HCA.
- 1.20. Comply with all HCA revisions and RMTS/claiming requirements as described in the Manual.
- 1.21. Only use the Activity Codes (or their successor) in the Manual as approved by HCA, for participation in MAC and are responsible for ensuring all Participating Staff understand each code.

2. Documentation and Forms

- 2.1. Contractor must use all forms and documentation as outlined in this Contract and within the Manual, including but not limited to the following:
 - 2.1.1. Utilize the RMTS System for the time study and claims calculation;
 - 2.1.2. Utilize the current State of Washington A19-1A Invoice Voucher (A19) produced by the System for submitting quarterly A19s to HCA;
 - 2.1.3. Provide, maintain, and have available all supporting documentation for the time study and claiming in a readable and usable format as required in this Contract and Manual; and
 - 2.1.4. Create and maintain quarterly documents reconciling all costs claimed for each A19.
- 2.2. Submit all Audit reports within thirty (30) calendar days of issuance to HCA including, but not limited to State Auditor Office (SAO) Audits, OMB Circular A-133 Single Audit Guidance, Federal Reviews, or Federal Audits.
 - 2.2.1. Submit to HCA any corrective action related to MAC findings and questioned costs within thirty (30) calendar days of submission.

2.3. Maintenance of Records

During the term of any contract and for six (6) years following the termination or expiration of the Contract, the parties must maintain records sufficient to:

- 2.3.1. Document performance of all acts required by any Contract and applicable statutes, Regulations, and rules;
- 2.3.2. Substantiate the Contractor's statement of its organization's structure, tax status, administrative capabilities, and performance;
- 2.3.3. Demonstrate accounting procedures, practices, and records which sufficiently and properly document all invoices, expenditures, and payments;
- 2.3.4. Maintain all documentation related to MAC claiming and staff participation in the RMTS according to section 1902(a) (4) of the Act and 42 CFR 431.17. See also 45 CFR 74.53 and 42 CFR 433.32(a), requiring source documentation to support accounting records, and 45 CFR 74.20 and 42 CFR 433.32(b) and (c), retention period for records, and as described in the Medicaid School-Based Administrative Claiming Guide; and
- 2.3.5. Provide any and all information and documentation as requested by HCA, state and/or federal Auditors and reviewers in a readable and usable format.

3. Billing and Claiming

The Contractor must submit invoices for reimbursement to HCA for review and approval within one hundred twenty (120) calendar days following the end of each Billing Quarter. Upon approval, the Contractor must submit a signed A19-1A invoice voucher within thirty (30) calendar days.

- 3.1. Invoices submitted after one hundred twenty (120) calendar days following the end of the Billing Quarter may result in corrective action.
- 3.2. HCA will not offset negative balances against future A19s. The Contractor must immediately remit a check to HCA for any funds requiring repayment.
- 3.3. HCA is not a recovery agent and any overpayments that are at or beyond the one hundred eighty (180) calendar day mark will be turned over to the Office of Financial Recovery (OFR).
- 3.4. HCA will not seek reimbursement for any invoice received after the 23rd month of the two-year federal filing deadline.
 - 3.4.1. Contractor must not bill and HCA must not pay for Services performed under this Contract if the Contractor has charged or will charge another agency of the State of Washington or any other party for the same Services.

4. Calculating the FFP and Generating an Invoice

The Contractor is responsible for ensuring all data (including all RMTS and financial data) used to calculate the amount of FFP submitted to HCA for reimbursement is accurate, based on actual expenses incurred during the period of performance, and complies with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement. The Contractor must certify the accuracy of all data used to calculate the amount of FFP by an Authorized Representative signing the A19-1A Invoice Voucher (A19). The Contractor must use a System that is statistically valid and in compliance with all state, and federal laws and Regulations whether through a third-party or other means as stated in the CAP to calculate the amount of FFP and generate a claim.

- 4.1. The Contractor must submit invoices to HCA for FFP on a quarterly basis.
- 4.2. All data used to calculate the FFP must be from the same period of service.
- 4.3. All data used to calculate the FFP must be the actual cost/expenditure and not approximated.
- 4.4. The FFP is determined by calculating the total adjusted costs, multiplying these costs by the adjusted RMTS results, and the applicable Medicaid Eligibility Rate (MER), adding any direct charges, and then applying the appropriate FFP rate.
- 4.5. The invoice must be generated within one hundred twenty (120) business days of the end of the quarter and generated based on following five components:
 - 4.5.1. Cost pool construction;
 - 4.5.2. Calculating allowable Medicaid administrative time via the System or direct charge method and documentation;

- 4.5.3. Calculation and application of the pertinent MER;
 - 4.5.4. Calculation and application of the indirect cost rate; and
 - 4.5.5. Application of the appropriate FFP rate.
- 4.6. Cost Pool Construction
- 4.6.1. The Contractor must comply with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement when constructing cost pools.
 - 4.6.2. The Contractor is prohibited from including any unallowable costs in any cost pool.
 - 4.6.3. The Contractor must include all costs used to calculate the FFP reimbursement to one of these six (6) cost pools:
 - 4.6.3.1. Cost Pool 1: MAC SPMP;
 - 4.6.3.2. Cost Pool 2: MAC Non-SPMP;
 - 4.6.3.3. Cost Pool 3a and 3b: Non-MAC;
 - 4.6.3.4. Cost Pool 4: MAC Direct Charge – enhanced;
 - 4.6.3.5. Cost Pool 5: MAC Direct Charge – non-enhanced; and
 - 4.6.3.6. Cost Pool 6: Allocated.
 - 4.6.4. Costs included in the calculation of an indirect cost rate are prohibited from being assigned to any of the six cost pools except by application of the indirect cost rate.
 - 4.6.5. All costs assigned to each cost pool must be allowable and comply with the descriptions in the CAP and Manual.
- 4.7. Calculating Allowable Medicaid Administrative Time
- The Contractor must:
- 4.7.1. Use only the RMTS or the Direct Charge method to calculate the percent of reimbursable time.
 - 4.7.2. Use the RMTS for all eligible staff who are not certified as a Single Cost Objective.
 - 4.7.3. Use the RMTS results produced by the System.
 - 4.7.4. Will not alter the RMTS results and will certify the accuracy of the data by signing the A19 by an authorized Contractor representative.

4.7.5. Use only the Direct Charge method for staff who are certified as a Single Cost Objective.

4.7.5.1. These staff are required to document their daily work activities in fifteen (15) minute increments.

4.7.5.1.1. Daily logs must be maintained according to the SOS record's retention schedule.

4.7.5.1.2. All daily logs must have a quarterly summary rolling up all time over the quarter.

4.7.5.2. These staff must complete a single cost objective certification quarterly using an HCA approved form.

4.7.5.3. Each single cost objective staff must be reported individually on the invoice.

4.7.5.4. The invoice must report the name, the actual amount of time spent performing allowable MAC activities, and total dollar amount claimed for reimbursement for each staff.

4.8. Direct Charge for Interpretation Service Contracts

The Contractor may only direct charge for a portion of the Interpretation Service contracts and only for allowable interpretation activities as described in this Agreement.

4.8.1. Services direct charged must be for interpretation activities identified as allowable activities within the Manual, the CAP, and this Agreement. The Contractor is prohibited from including any other portion of an Interpretation Services Contract in the calculation for FFP reimbursement.

4.8.2. Each interpretation activity must be documented to HCA's satisfaction, in fifteen (15) minute increments, using a patient encounter form that includes, at minimum, the following data elements:

4.8.2.1. Appointment time/duration;

4.8.2.2. Client Name/ID/transaction information;

4.8.2.3. Interpreter Agency;

4.8.2.4. Interpreter Name or Employee ID;

4.8.2.5. Language/communication type;

4.8.2.6. Requestor or nurse name; and

4.8.2.7. The forms must be maintained according to SOS Record's retention schedule.

- 4.8.3. The above data from all patient encounter forms, except Client Name/ID Information, must be transferred onto a single spreadsheet that is searchable and sortable must be available upon request. When requested, the data will be provided in a readable, usable, mutually agreed upon format.
 - 4.8.4. The invoice must report a summary for each Interpretation Service contract including the names of the interpreting staff, the total amount of time spent performing allowable MAC activities, and total dollar amount claimed for reimbursement.
 - 4.8.5. The Contractor is prohibited from altering the information on the patient encounter forms and certifies the accuracy of the data entered into the spreadsheet and the System by signing the A19 by an Authorized Representative.
- 4.9. Calculation and Application of the Pertinent MER
- 4.9.1. All MERs must be calculated quarterly and match the methodology outlined in the contractor's annual MER proposal.
 - 4.9.2. All MERs must be based on the quarter claimed.
 - 4.9.3. All MAC activities that benefit the Contractors Clients directly and are performed within a program that identifies Clients may use a Client-based MER as described in the CAP and Manual.
 - 4.9.4. All MAC activities that benefit the Contractors Clients directly and are performed within a program that operates a primary care or specialty clinic may use a clinic-based MER as described in the CAP and Manual.
 - 4.9.5. All MAC activities that benefit a larger population in the geographical region served by the Contractor, or in programs that do not identify Clients or collect demographic data may use the modified county-wide MER.
 - 4.9.6. The Contractor is required to collect and maintain demographic data used to determine Medicaid enrollment for all Clients served within budget units whose costs are included in the FFP reimbursement. The Contractor is prohibited from including clients from any budget unit that is not allowable within the MAC program.
- 4.10. Demographic Data Requirements for the Client MER:
- 4.10.1. All data related to Medicaid enrollment and the MER must be maintained according to the SOS records retention schedule.
 - 4.10.2. The information collected must be sufficiently detailed to determine Medicaid enrollment through HCA's ProviderOne System.
 - 4.10.3. The information must be entered in the Contractor's Client information System or data base.
 - 4.10.4. The Contractor must produce a single electronic list of all unduplicated Clients served over the quarter within thirty (30) business days of the end of the quarter.

- 4.10.5. The Contractor is prohibited from including the same Client more than once (duplicating) on the quarterly list.
- 4.10.6. The Contractor must submit the quarterly list to either their third party System operator or other System operator which calculates the Client-based and clinic-based MER.

4.11. Calculation and Application of the Indirect Cost Rate

All indirect cost rates must be developed in accordance with all applicable regulations and guidelines including the 2 CFR Chapter I, Chapter II, part 200, et al (OMNI Circular).

The Contractor will ensure the following:

- 4.11.1. Have an indirect cost rate proposal approved by their Cognizant Agency;
- 4.11.2. Certify the accuracy of the indirect cost rate annually using HCA form 02-568 Certificate of Indirect Costs;
- 4.11.3. Verify all costs submitted to HCA for reimbursement are not duplicated through the indirect rate or any other mechanism; and
- 4.11.4. The Contractor is prohibited from requesting duplicate FFP for any cost.

4.12. Application of the Appropriate FFP Rate

The Contractor is:

- 4.12.1. Permitted to claim seventy five percent (75%) enhanced FFP only for specific allowable MAC activities accurately reported to SPMP or Interpretation Activity Codes as described in the Manual;
- 4.12.2. Required to verify the accuracy of activities reported to Activity Codes 12b and 7d;
- 4.12.3. Prohibited from claiming seventy five percent (75%) FFP for any other activities.
- 4.12.4. Permitted to claim fifty percent (50%) for all other accurately reported MAC Activity Codes; and
- 4.12.5. Required to certify the accuracy of the FFP claimed for reimbursement by signing the A19.

4.13. Certified Public Expenditures

The MAC invoice must document that there are adequate non-federal funds to support the costs of allowable MAC activities and be used as CPE.

The Contractor is:

- 4.13.1. Prohibited from using any source of funds that do not comply with federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement as CPE;
- 4.13.2. Required to certify all sources of funds used as for CPE are accurate, allowable, and in compliance with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement quarterly by completing a Certified Public Expenditure Local Match Certification quarterly and by signing the A19;
- 4.13.3. Required to use the Budgeting, Accounting and Reporting System (BARS manual) prescribed accounting and reporting for local governments to identify and document the revenue account codes for all local matching funds reported as CPE;
- 4.13.4. Required to ensure the source of all CPE funds are not federal tax money and are not used as a match for federal money (by the Contractor or any other agency);
- 4.13.5. Only permitted to use these funds to supplement, not supplant the amount of federal, state and local funds otherwise expended or services provided under this Agreement;
- 4.13.6. Required to have funds available for MAC activities and the funds must be within the Contractor's control and budget;
- 4.13.7. Prohibited from using provider-related donations or impermissible health care related tax source for CPE;
- 4.13.8. Prohibited from using any private donations or non-public funds as a source for CPE without authorization from CMS' Center for Medicaid and State Operations' National Institutional Reimbursement Team (NIRT);
- 4.13.9. Prohibited from requiring or allowing private non-profits to participate in the financing of the non-federal share of expenditures;
- 4.13.10. Prohibited from allowing non-governmental units to voluntarily provide, or be contractually required to provide, any portion of the non-federal share of the Medicaid expenditures;
- 4.13.11. Prohibited from using funds payable under this Agreement for lobbying activities of any nature. The Contractor certifies that no state or federal funds payable under this Agreement shall be paid to any person or organization to influence, or attempt to influence, either directly or indirectly, an officer or employee of a state or federal agency, or an officer or member of any state or federal legislative body or committee regarding the award, amendment, modification, extension, or renewal of a state or federal contract grant;
- 4.13.12. Required to expend the total computable cost to Subcontractors for performance of allowable MAC activities;
- 4.13.13. Prohibited from submitting a request for FFP reimbursement to HCA until they have actually incurred the total computable cost; and

- 4.13.14. Prohibited from requiring the Subcontractor to provide the non- federal share of the payment, or return any portion of the total computable cost to the Contractor.

4.14. Revenue Offset

Federal or other unallowable funds that paid for MAC activities must be offset in the MAC invoice.

The Contractor is:

- 4.14.1. Prohibited from submitting a request for FFP reimbursement to HCA unless all funds are appropriately offset according to all federal, state, HCA and CMS Regulations, the CAP, Manual and this Agreement;
- 4.14.2. Required to certify the accuracy of the funds that are offset and the accuracy of the requested FFP reimbursement by signing the A19;
- 4.14.3. Required to ensure there is no duplication in FFP reimbursement between programs or cost objectives;
- 4.14.4. Financially responsible for repayment of any duplicated funds;
- 4.14.5. Required to provide documentation that Coordinators have been trained and fully understands the scope of work and terms of each funding source; and
- 4.14.6. Required to perform an assessment to determine whether each cost objective contained within the MAC budget unit(s) has potential to overlap with MAC;
- 4.14.7. The Contractor is prohibited from using any source of funds contained within the MAC budget unit until they have been assessed and determined appropriate;
- 4.14.8. The Contractor must complete the assessment as frequently as necessary to ensure proper allocation of cost, but at least annually and must be available upon request.
- 4.14.9. If the assessment determines any portion of the scope of work overlaps with MAC activities, the entire cost objective is deemed to overlap and is prohibited from being used as CPE; and
- 4.14.10. Required to identify costs that must be offset, and verify the remaining net costs are allowable for inclusion in the MAC program and eligible for FFP reimbursement.

5. Skilled Professional Medical Personnel (SPMP) Requirements

Contractor staff who have completed a two-or-more-year program leading to an academic degree or certificate in a medically related profession, demonstrated by possession of a medical license, certificate or other document issued by a recognized National or State medical licensure or certifying organization, or a degree in a medical field issued by a college or university certified by a professional medical organization are eligible for a seventy five percent (75%) enhanced

reimbursement for specific MAC activities. Years of experience in the administration, direction, or implementation of the Medicaid program is not considered the equivalent of professional training in a field of medical care. The Contractor is permitted to perform SPMP activities as directed by HCA's Chief Medical Officer (CMO) to assist in achieving HCA's goals and administering the Medicaid State Plan.

The Contractor must:

- 5.1. Monitor and ensure that FFP reimbursement for SPMP activities are in compliance with all federal, state, HCA and CMS Regulations, the CAP, Manual and this Agreement. Federal requirements include 42 CFR § 432.2, 432.45, 432.50, and 433.15.
- 5.2. Have all forms and documents supporting the designation of an SPMP entered into the System and retained according to the SOS record's retention schedule.
- 5.3. Not, and is prohibited from, requesting seventy five percent (75%) enhanced reimbursement for:
 - 5.3.1. Any staff who are not certified as an SPMP, as stated above;
 - 5.3.2. Any staff whose position descriptions do not require certified SPMP duties or responsibilities;
 - 5.3.3. Any staff who are not directly employed by the Contractor;
 - 5.3.4. Medical assistance expenditures;
 - 5.3.5. Any SPMP activities that are not directed by HCA's CMO and explicitly described in this Agreement (All other allowable MAC activities performed by an SPMP are eligible for 50% FFP); and
 - 5.3.6. Any activities that are not directly related to the administration of the State Medicaid plan.
- 5.4. Contribute to a quarterly SPMP report as needed by HCA and/or WSALPHO. Provide details and additional information needed for the report as requested by HCA and/or WSALPHO, within a mutually agreed upon time frame.
- 5.5. Participate in program planning and policy development meetings as requested by HCA.
 - 5.5.1. The meetings will include discussions related to, but not limited to, reviewing the SPMP reports and related topics or the effectiveness of the activities performed in support of HCA's goals and the Medicaid State Plan.
- 5.6. Comply with any changes to the allowable SPMP activities as directed by the CMO.
 - 5.6.1. Failure to comply with CMO directives may result in termination of SPMP participation in the MAC program.
- 5.7. Monitor and ensure that all activities reimbursed at the seventy five percent (75%) enhanced FFP are in support of the Medicaid State Plan and fall within the categories

below. All other allowable MAC activities performed by an SPMP are eligible for fifty percent (50%) FFP.

- 5.8. Comply with any changes to allowable SPMP activities as directed by the CMO that may include, but is not limited to the following:
 - 5.8.1. Clinical consultation with medical providers regarding best practices and adequacy of medical care covered by Medicaid. Includes, but is not limited to the following areas:
 - 5.8.1.1. Pediatric immunization issues;
 - 5.8.1.2. Access to Baby and Child Dentistry (ABCD) Emerging treatment/therapies for high risk populations;
 - 5.8.1.3. Coordination of Medicaid-covered medical services for medically at-risk populations;
 - 5.8.1.4. Medically fragile children;
 - 5.8.1.5. High risk pregnant women;
 - 5.8.1.6. Homeless individuals; and
 - 5.8.1.7. Individuals with multiple medical conditions.
 - 5.8.2. Case staffing on the medical aspects of cases requiring Medicaid-covered services including:
 - 5.8.2.1. Medically involved children in foster care;
 - 5.8.2.2. High risk pregnant women; and
 - 5.8.2.3. Individual with communicable diseases requiring extraordinary/non-standard medical care.
 - 5.8.3. Planning and coordination with local medical providers to facilitate earlier referrals and treatment for high-risk populations including but not limited to the following:
 - 5.8.3.1. Children in foster care;
 - 5.8.3.2. Homeless individuals; and
 - 5.8.3.3. Children with developmental delays or behavioral challenges.
 - 5.8.4. Providing medical consultation to the state regarding the Medicaid state plan including the following:
 - 5.8.4.1. Consultation with medical providers to improve birth outcomes for Medicaid children; and

- 5.8.4.2. Consultation with school personnel to improve health outcomes for children exhibiting developmental delays or behavioral challenges due to medical condition, family stress, or other factors.
- 5.8.5. Pediatric immunizations including but not limited to:
 - 5.8.5.1. Clinical consultation with providers concerning strategies to improve rates for pediatric immunizations.
- 5.9. Corrective Action Plan
- 5.10. HCA will pursue a Corrective Action Plan if a Contractor fails to meet any MAC program requirements described in the Cost Allocation Plan, Manual, this Agreement, or as determined by HCA. HCA will require a Corrective Action Plan if the Contractor fails to address or correct any problems sufficiently and in a timely manner, as determined by HCA.
 - 5.10.1. In the event HCA determines that the Contractor has failed to comply with the terms and conditions of this Contract, HCA will notify the Contractor in writing of the need to take corrective action.
 - 5.10.2. The Contractor must develop and submit a Corrective Action Plan to HCA for approval within thirty (30) calendar days of HCA's notification.
 - 5.10.2.1. If corrective action is not taken within the time period agreed to by both parties in writing, the Contract may be terminated per Section 29, *Termination for Cause*.
 - 5.10.3. If the Contractor fails to meet the requirements outlined in the Corrective Action Plan, HCA may impose remedial actions including, but not limited to:
 - 5.10.3.1. Conducting more frequent reviews;
 - 5.10.3.2. Delaying or denying payment of MAC claims;
 - 5.10.3.3. Recouping of funds; or
 - 5.10.3.4. Terminating the Contract.
 - 5.10.4. Other Contractor actions that may result in HCA remedial actions include, but are not limited to:
 - 5.10.4.1. Repeated and/or uncorrected errors in financial reporting;
 - 5.10.4.2. Failure to maintain adequate documentation;
 - 5.10.4.3. Failure to cooperate with state or federal staff;
 - 5.10.4.4. Failure to provide accurate and timely information to state or federal staff as required;

- 5.10.4.5. Failure to meet time study minimum response rates;
- 5.10.4.6. Failure to meet statistical validity requirements; and
- 5.10.4.7. Failure to comply with the terms and conditions of this Agreement.

6. Minimum Response Rate and Non-Responses

Non-responses are moments not completed by Participant within five (5) business days, with the exception of expired moments where the Participant was on paid or unpaid leave. The return rate of valid responses for the RMTS must be a minimum of eighty five percent (85%). The following remedial action is required of the Contractor if the RMTS response rate drops below eighty five percent (85%).

- 6.1. Non-response rates greater than fifteen percent (15%):
 - 6.1.1. HCA may send written notification to the Contractor requesting a Corrective Action Plan to ensure a minimum eighty five percent (85%) compliance rate for the RMTS is achieved in subsequent quarters.
 - 6.1.2. The Contractor must develop and submit the plan to HCA for approval within thirty (30) business days of HCA's notification.
 - 6.1.3. Failure to provide a timely Corrective Action Plan within thirty (30) business days may result in the Contractor being prohibited from participation in MAC for the following quarter or Contract termination; and
 - 6.1.4. An eighty five percent (85%) compliance rate for the RMTS must be met in the following quarter.
- 6.2. Non-response rates greater than fifteen percent (15%) for two (2) consecutive quarters:
 - 6.2.1. HCA may reduce reimbursement by thirty five percent (35%) for the second consecutive quarter.
 - 6.2.2. The Contractor will be notified via Certified Mail of the reduced reimbursement; and
 - 6.2.3. Eighty five percent (85%) compliance rate for the RMTS must be met in the following quarter.
- 6.3. Non-response rates greater than fifteen percent (15%) for three (3) consecutive quarters:
 - 6.3.1. HCA may deny all reimbursement for the third consecutive quarter;
 - 6.3.2. The Contractor may be prohibited from participating in MAC for the following quarter, which is the fourth consecutive quarter;
 - 6.3.3. The Contractor will be notified via certified mail of the denied reimbursement for the third (3rd) consecutive quarter and prohibited participation in the MAC program;
 - 6.3.4. The Contractor may not claim any denied or withheld reimbursement;

- 6.3.5. The Contractor may resume participation in the MAC program following the prohibited quarter (5th consecutive quarter); and
- 6.3.6. The Contract may be terminated if the eighty-five percent (85%) compliance rate is not met after the Contractor resumes claiming.

7. Administrative Fee

HCA charges MAC contractors an Administrative Fee to offset HCA's costs for the administration of the MAC program. The rate is based on the costs associated with the staff effort spent on MAC related work for an entire State Fiscal Year (SFY) and is billed as a line item on the quarterly claim form A-19-1A submitted by the MAC contractor. This cost is divided by the dollar amount of administrative claims submitted by the participating contractors in the MAC program for the same SFY. The calculated rate is used on the claims for the subsequent SFY. At the end of the period, the rate used will be validated using the actual claimed expenditures for that period and any variances will be settled with the contractor during the second quarter of the new SFY.

8. HCA Responsibilities

Health Care Authority is responsible for performing oversight of the Contractor's MAC program to ensure the effective administration of the MAC program and complying with all roles, responsibilities, limitations, restrictions, and documentation requirements described in the CAP, Manual, and this Agreement.

Including but not limited to the following:

- 8.1. Maintain oversight of the Contractor's MAC program and monitoring activities including review of all components of the time study, claiming, training, or anything MAC related.
- 8.2. Direct the MAC activities reimbursable at the enhanced seventy five percent (75%) rate for all Skilled Professional Medical Personnel (SPMP) participating in the Contractor's MAC program.
- 8.3. Review the Contractor's monitoring activities to ensure monitoring is occurring and any identified issues are addressed as deemed appropriate by HCA.

This will include but is not limited to the following:

- 8.3.1. Review of time study responses;
- 8.3.2. Accuracy of coding;
- 8.3.3. Appropriateness of code changes; Sufficiency of backup documentation; and
- 8.3.4. Non-response rates.
- 8.4. Verify the Contractor has entered all necessary data into the System and verify all data entered was certified by the Contractor as accurate.
- 8.5. Review all claimed costs prior to issuing reimbursement to ensure they are allowable, reasonable, and are supported by documentation that is sufficiently detailed to permit

HCA, CMS, or others to determine whether the costs are necessary for the proper and efficient administration of the state plan. This includes but is not limited to; source documentation of staff costs, operating expenses, and subcontracted vendor costs.

- 8.6. Review the RMTS Consortia organization and membership, including the Lead Agency identified, annually and issuing an official notice of approval or denial.
- 8.7. Review all MAC related training materials prior to their use in the MAC program and issuing an official notice of approval or denial. This includes multimedia video, audio, digital, or other electronic sources, and paper based training materials.
- 8.8. Evaluate RMTS and claiming data prior to issuing quarterly reimbursements to ensure the RMTS results and claimed costs are appropriate according to all applicable laws, Regulations and guidelines specific to the MAC program. This evaluation will also be used to identify trends, best practices for the MAC program, quality assurance, training needs, areas in need of improvement, or other concerns related to the MAC program and HCA's oversight responsibilities.
- 8.9. Issue corrective action plans as necessary and determined by HCA's oversight capacity that includes but is not limited to, quarterly reviews of RMTS and claiming data, the Contractor's failure to be in compliance with all applicable laws, Regulations and guidelines specific to the MAC program and this Agreement, or other quality assurance needs.
- 8.10. Produce and update the CAP, Manual, Contracts, training materials, or other MAC related documentation as needed and make it available to the Contractor.