Washington State Health Care Authority	**INTERAGENCY AGREEMENT for** MEDICAID ADMINISTRATIVE CLAIMING	HCA Contract Number: K Contractor Contract Number:

THIS AGREEMENT is made by and between Washington State Health Care Authority (HCA) and [Insert Contractor Name], (Contractor), pursuant to the authority granted by Chapter 39.34 RCW.

CONTRACTOR NAME		CONTRACTOR DOING BUSINESS AS (DBA)		
CONTRACTOR ADDRESS	Street	City	State WA	Zip Code
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR E-MAIL ADDRESS		

HCA PROGRAM Medicaid Administrative Claiming (MAC)	HCA DIVISION/SECTION Medicaid Programs Division / Community Services
HCA CONTRACT MANAGER NAME AND TITLE WSCJSD MAC Program Manager	HCA CONTRACT MANAGER ADDRESS Health Care Authority 626 8th Avenue SE PO Box 45506 Olympia, WA 98504-5506
HCA CONTRACT MANAGER TELEPHONE (360) 725-1589	HCA CONTRACT MANAGER E-MAIL ADDRESS brittany.mullins@hca.wa.gov

CONTRACT START DATE	CONTRACT END DATE	TOTAL MAXIMUM CONTRACT AMOUNT No Maximum

PURPOSE OF CONTRACT:

The purpose of this contract is to support Medicaid related outreach and linkage activities performed by Washington State Courts Juvenile Service Divisions. These activities assist residents who do not have adequate 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 contract 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	PRINTED NAME AND TITLE	DATE
HCA SIGNATURE	PRINTED NAME AND TITLE	DATE

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The following Attachments and Schedules are attached and are incorporated into this contract by reference:

Attachments

Attachment 1: Confidential Information Security Requirements

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

Recitals

This contract, number KXXXX supercedes and replaces contract KXXXX 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 the Health Care Authority (HCA) or its clients.

"Activity" means job duties and responsibilities performed by a time study participant.

"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" 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. The State Auditor's Office completes an annual OMB Circular A-133 Audit for all school contractors required to report.

"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.

"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.

"Certification of 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 FFP.

"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.

"Consultant" or **"Billing Agent"** means any subcontractor to include any individual or organization hired by the contractor to provide support with the system. The contractor is responsible for all work done by the subcontracted consultants, billing agents, or both.

"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 [Contractor Name], 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 the 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" means an 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 must make 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.

"Data" means information disclosed, exchanged or used by the contractor in meeting requirements under this agreement. Data may also include confidential information as defined in this contract.

"Direct Cost" means costs in direct support of the MAC program as reported on the quarterly A19 which are 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"** means an employee of the contractor that is in compliance with all federal, state, and HCA regulations including this contract, the Cost Allocation Plan, 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).

"HCA MAC RMTS Coordinator Manual" or **"Manual"** means the HCA MAC RMTS Coordinator Manual or its successor(s), including any updates, that describe how to manage the MAC program including the time study and claiming components.

"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.

"Job Title" means a short description of a job position.

"Job Description" means a summary of specific duties and responsibilities of a job position.

"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.

"Medicaid" means the federal aid Title XIX program of the Social Security Act under which medical care is provided to eligible persons.

"Medicaid Administrative Claiming" or **"MAC"** means the source of funding for reimbursements provided in this agreement shared between the contractor and the FFP.

"Medicaid Client" means a person who is eligible to receive Medicaid covered services.

"MAC Coordinator" or **"MAC Backup Coordinator"** means an employee of the contractor assigned MAC RMTS oversight responsibilities and to act as liaison between HCA and the contractor for purposes of a MAC contract.

"Medicaid Covered Services" means the array of federally required and Washington State legislatively appropriated medical and social services available to Medicaid clients.

"Moment" means a four question survey with a brief narrative identifying a participant's activity at a specific one-minute interval of time during their work day.

"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.

"Outreach" means activities undertaken by the contractor to inform families within its jurisdiction about services available and encourage access to these services.

"Potential Medicaid Client" means a Washington State resident who may be determined by HCA to meet the eligibility criteria for enrollment in Medicaid.

"**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" or **"RMTS"** means a statistically valid random sampling technique that measures a Participant's time performing work activities.

"Random Moment Time Study System" or **"System"** means the online, web-based system where the RMTS is conducted.

"Referral" means providing information and support to clients that will assist them in accessing medical, social, educational, or other services.

"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.

"Services" means all work performed or provided by contractor pursuant to this contract.

"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.

"USC" means the United States Code. All references in this contract to USC chapters or sections will include any successor, amended, or replacement statute.

"University of Massachusetts Chan Medical School" or **"UMass"** means the HCA contracted vendor which oversees and operates the RMTS.

"WAC" means the Washington Administrative Code. All references to WAC chapters or sections will include any successor, amended, or replacement regulation. The WAC codifies the regulations and arranges them by subject or agency and a primary source of law of the executive branch agencies that are issued by authority of statutes.

2. STATEMENT OF WORK

The 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(date), and be completed on (date), unless terminated sooner or extended upon written agreement between the parties.

This contract may be extended through **(date)** 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.

Source(s) of Funds for Administrative Claiming are as follows:

4.1. 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

4.2. Fifty percent (50%) is received from the contractor's local matching funds.

5. BILLING PROCEDURE

The 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.

The 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.

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

a. HCA contract number [Enter HCA Contract #];

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 the contractor designated in this agreement.

In order to receive payment for services or products provided to a state agency, the contractor must register with the Statewide Payee Desk.

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 the 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. ACCESSIBILITY

REQUIREMENTS AND STANDARDS . Each information and communication technology (ICT) product or service furnished under this Contract shall be accessible to and usable by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and other applicable Federal and State laws and policies, including OCIO Policy 188, et seq. For purposes of this clause, Contractor shall be considered in compliance with the ADA and other applicable Federal and State laws if it satisfies the requirements (including exceptions) specified in the regulations implementing Section 508 of the Rehabilitation Act, including the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria and Conformance Requirements (2008), which are incorporated by reference, and the functional performance criteria.

DOCUMENTATION. Contractor shall maintain and retain, subject to review by HCA, full documentation of the measures taken to ensure compliance with the applicable requirements and functional performance criteria , including records of any testing or simulations conducted.

REMEDIATION. If the Contractor claims that its products or services satisfy the applicable requirements and standards specified in this Section and it is later determined by HCA that any furnished product or service is not in compliance with such requirements and standards, HCA will promptly inform Contractor in writing of noncompliance. Contractor shall, at no additional cost to HCA, repair or replace the non-compliant products or services within the period specified by HCA. If the repair or replacement is not completed within the specified time, HCA may cancel the contract, delivery, task order, or work order, or purchase line item without termination liabilities or have any necessary changes made or repairs performed by employees of HCA or by another contractor, and Contractor shall reimburse HCA for any expenses incurred thereby.

DEFINITION. Information and Communication Technology (ICG) means information technology and other equipment, systems, technologies, or processes, for which the principal function is the creation, manipulation, storage, display, receipt, or transmission of electronic data and information, as well as any associated content. Examples include computers and peripheral equipment; information kiosks and transaction machines; telecommunications equipment; customer premises equipment; multifunction office machines; software; applications; websites; videos; and electronic documents.

INDEMNIFICATION. Contractor agrees to indemnify and hold harmless HCA from any claim arising out of failure to comply with the aforesaid requirements.

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 A19 form submitted by the district.

The 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 validates 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. 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 the contractor and the contractor will refund the full amount to HCA within thirty (30) calendar days of the notice. If the contractor fails to make timely refund, HCA may charge the 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*.

9. 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.

10. SUBCONTRACTING

Subcontracting is not permitted.

10.1.1.

11. SUBRECIPIENT

11.1. 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:

11.1.1. 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;

11.1.2. 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;

11.1.3. Prepare appropriate financial statements, including a schedule of expenditures of federal awards;

11.1.4. 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;

11.1.5. 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;

11.1.6. Comply with the applicable requirements of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501and 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

11.1.7. 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.)

11.2. 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:

11.2.1. Submit to the HCA 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

11.2.2. 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."

11.3. Overpayments

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

12. 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.

13. 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.

14. DISALLOWED COSTS

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

15. 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.

16. INSURANCE

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

The contractor certifies by signing this contract that either:

16.1. The contractor is self-insured or insured through a risk pool and shall pay for losses for which it is found liable, or

16.2. 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.

16.2.1. 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.

16.2.2. 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.

16.2.3. 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.

16.2.4. 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.

16.2.5. 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.

16.2.6. 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.

16.2.7. Separation of Insureds

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

16.2.8. 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.

16.2.9. 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.

16.2.10. Material Changes

The insurer shall give HCA forty-five (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.

16.2.11. 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 Washington 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 Washington State.

17. LEGAL AND REGULARTORY COMPLIANCE

17.1. During the term of this contract, the 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.

17.2. Failure to comply with any provisions of this section may result in contract termination.

18. 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 the 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 28, *Termination for Cause*, and contractor may be declared ineligible for further contracts with HCA.

19. PAY EQUALITY

19.1. The 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 the 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.

19.2. The 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.

19.3. 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.

19.4. 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.

19.5. Notwithstanding any provision to the contrary, upon breach of warranty and the 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.

20. 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:

20.1. Applicable state and federal statutes and rules;

20.2. Recitals;

20.3. Special Terms & Conditions;

20.4. General Terms & Conditions;

20.5. Attachment 1: Confidential Information Security Requirements;

20.6. Schedule A, Statement of Work; and

20.7. Any other provisions of the agreement, including materials incorporated by reference.

21. 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.

22. 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.

23. 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.

24. CONFIDENTIALITY

Each party agrees not to divulge, publish or otherwise make known to unauthorized persons confidential information accessed under this agreement. The 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.

25. CONFIDENTIAL INFORMATION PROTECTION

The 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. The 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. The contractor agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to confidential information (See Attachment 1: Confidential Information Security Requirements).

26. 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 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 the contractor purchases ownership under this contract.

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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.

33. 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

Schedules

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

Attachment 1

Confidential Information Security Requirements

1. Definitions

In addition to the definitions set out in Section 1, *Definitions*, of this contract for the Medicaid Administrative Claiming (MAC) Program, 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 (DSA). 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.

Schedule A

Statement of Work Medicaid Administrative Claiming (MAC) Program

The purpose of this agreement is to support Medicaid related outreach, application assistance, and linkage activities to residents of Washington State. These activities assist residents who do not have adequate medical coverage. This assistance includes explaining the benefits of the Apple Health program, assisting them with the Apple Health application, and linking them to Medicaid covered services. This agreement also provides a process for reimbursing the contractor for time staff spend conducting Medicaid Administrative Claiming (MAC) activities.

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

1. Medicaid Administrative Claiming (MAC) Activities:

1.1. Identify potential Apple Health/Medicaid clients;

1.2. Inform potential Medicaid clients about Medicaid and provide Apple Health applications for the Medicaid program;

1.3. Assist potential Medicaid clients in completing and submitting the Apple Health application for eligibility determination;

1.4. Coordinate efforts to arrange transportation to Medicaid covered services;

1.5. Coordinate efforts to arrange translation/interpretation for Medicaid covered services;

1.6. Participate in interagency efforts to develop procedures, protocols, and/or strategies to assess or improve Medicaid covered services;

1.7. Participate in training to enhance referral of individuals and families to Medicaid covered services; and

1.8. Refer, arrange for, or coordinate medical, vision, dental health, mental health, substance abuse treatment, and/or family planning evaluations.

2. Staff Requirements

2.1. Ensure only eligible staff participate in the RMTS;

2.2. Designate a MAC coordinator and MAC backup coordinator and ensure the following:

2.2.1. The name, telephone number, fax number, and email address of the MAC coordinator and MAC backup coordinator must be provided to the HCA contract manager. Any changes made to the information provided must be reported to the HCA contract manager within ten (10) business days;

2.2.2. The MAC coordinator and MAC backup coordinator are responsible for tasks detailed in the HCA MAC RMTS Coordinator Manual (manual). These individuals provide oversight for the operation and maintenance of the RMTS; and

2.2.3. The MAC coordinator and MAC backup coordinator must ensure HCA MAC policies are implemented.

2.3. Submit a current list of RMTS eligible participants, their job titles, and job descriptions before each quarter to the University of Massachusetts Chan Medical School (UMass) RMTS System (system);

2.4. Positions eligible to participate in the RMTS must be for participants:

2.4.1. Who are not already participating in another HCA MAC time study;

2.4.2. Who are directly employed or contracted by the contractor;

2.4.3. Who are reasonably expected to perform MAC related activities;

2.4.4. Whose positions are not funded with federal dollars or have been appropriately off-set according to CMS guidelines;

2.4.5. Whose positions are not included in an approved indirect rate; and

2.4.6. Whose eligible position or job titles are found in the program codes and activities codes combinations listed in the Manual.

Staff Training

2.4.7. Participants are required to complete initial online training in the system prior to answering their first moment and then every three hundred and sixty-five (365) days thereafter; and

2.4.8. All MAC coordinators and backups must be trained by HCA or UMass.

3. Guidelines and Regulations

Comply with all applicable laws, regulations and guidelines specific to MAC and perform work under this agreement in accordance with the following to include all updates, revisions, or replacements:

3.1. Code of Federal Regulation (CFR) Title 42 and Title 45;

3.2. 1903(w)(6)(A) of the Social Security Act;

3.3. Medicaid School-Based Administrative Claiming Guide May 2003;

3.4. Revised Code of Washington (RCW);

3.5. Washington Administrative Code (WAC);

3.6. The HCA MAC RMTS Coordinator Manual;

3.7. Uniform Administrative Requirements Cost Principles and Audit Requirements for Federal Awards (SuperCircular);

3.8. OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations;

3.9. Washington State Medicaid Plan; and

3.10. Abide by all limitations, restrictions, and documentation requirements of MAC related activities specified in the manual and this agreement.

4. Random Moment Time Study

4.1. Ensure the MAC coordinator(s) accurately performs all their responsibilities listed in the manual;

4.2. Ensure all information loaded into the system is accurate and timely;

4.3. Ensure participants understand how to answer moments according to what activity they are doing exactly at the moment, complete the narrative description, and maintain documentation of the activities recorded;

4.4. Perform all necessary RMTS/claiming system updates and monitoring as detailed in the manual; and

4.5. Comply with all HCA revisions to the manual and RMTS claiming requirements.

4.5.1. Revisions to the manual will occur semi-annually or on an as-needed basis. The HCA contract manager will notify the contractor when the revisions are made and where to access the revised manual via email.

5. Documentation and Forms

5.1. The contractor must use all forms and documentation as outlined herein and within the manual in addition to the documentation and forms as outlined below:

5.1.1. Utilize the RMTS system for the time study and claims calculation;

5.1.2. Utilize the current State of Washington A19-1A Invoice Voucher (A19) produced by the system for submitting quarterly A19s to HCA;

5.1.3. 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

5.1.4. Create and maintain quarterly documents reconciling all costs claimed for each A19.

5.2. 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 Audits, Federal Reviews, or Federal Audits.

5.2.1. 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”; and

5.2.2. Submit to HCA any corrective action related to MAC findings and questioned costs within thirty (30) calendar days of submission.

5.3. 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:

5.3.1. Document performance of all acts required by any contract and applicable statutes, regulations, and rules;

5.3.2. Substantiate the contractor's statement of its organization's structure, tax status, administrative capabilities, and performance;

5.3.3. Demonstrate accounting procedures, practices, and records which sufficiently and properly document all invoices, expenditures, and payments;

5.3.4. 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

5.3.5. Provide any and all information and documentation as requested by HCA, state and/or federal auditors and reviewers in a readable and usable format.

6. Contractor Monitoring and Oversight

Contractor oversight and monitoring includes subcontractors. The contractor must monitor their, and any subcontractor, MAC participation to ensure compliance with state and federal guidelines. The contractor must perform the following measures for their own and any subcontractor MAC program:

6.1. Quarterly tasks to be completed by the contractor are detailed in the manual and include, but are not limited to:

6.1.1. Review participant list, make updates to participant demographic data, add eligible participants, and remove ineligible participants;

6.1.2. Use the RMTS change of status request to notify HCA/UMass when participants are on extended leave, left the district, or are ineligible to participate in the RMTS;

6.1.3. Load into the system, eligible participant costs (salary and benefits);

6.1.4. Provide technical assistance and training to participants; and

6.1.5. Review the various RMTS reports to help manage participants and moment responses.

6.2. Ongoing tasks to be completed by the contractor are detailed in the manual and include, but are not limited to:

6.2.1. Serve as liaison between the contractor's subcontractors and HCA;

6.2.2. Ensure participants have completed required RMTS training prior to participating in the time study;

6.2.3. Monitor the RMTS non-response rate and identify any deficiencies in staff responses. The contractor must ensure each RMTS pool meets the eighty-five percent (85%) compliance rate;

6.2.4. Ensure the MAC coordinator(s) understand the importance of the minimum response rate and is aware of the applicable remedial actions for non-compliance; and

6.2.5. The contractor must abide by all rules and limitations as outlined in the contract and the manual.

7. Billing and Claiming

7.1. Submit claims in accordance with this contract and the manual,

7.2. Submit invoices for reimbursement to HCA for review and approval within one-hundred and twenty (120) calendar days following the end of each billing quarter.

7.2.1. Upon approval, the contractor must submit a signed A19 within thirty (30) calendar days;

7.2.2. HCA will not seek reimbursement for claims submitted after the 23rd month of the two (2)-year federal filing deadline. HCA will not pay the claim; and

7.2.3. Invoices submitted after one-hundred and twenty (120) calendar days following the end of the billing quarter may result in corrective action.

7.3. The 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;

7.4. Only use the A19 produced by the RMTS System;

7.5. Ensure only individuals with approved signatory authority signs the A19.

7.5.1. By signing the A19, the contractor certifies the accuracy of the data entered into the system is true and accurate and based on expenditures incurred during the period of performance of the invoice.

7.6. Submit the A19 on a quarterly basis. HCA will pay the contractor only for authorized services provided in accordance with the contract;

7.7. All A19s must be signed, dated, and submitted to HCA as described in the manual;

7.8. Submit a quarterly CPE form as described in the manual;

7.9. Indirect Rate

The contractor is prohibited from claiming any expenses as direct costs/expenses on any A19 if those expenses are included in an approved indirect cost rate. All staff included in an approved indirect cost rate are prohibited from participating in the RMTS.

7.9.1. The indirect cost rate used will be the restricted federal indirect rate as prescribed by the designated cognizant agency;

7.9.2. Contractor will submit the indirect cost rate on the Certificate of Indirect Costs (HCA 02-568) on an annual basis; and

7.9.3. HCA will input indirect cost rate into the RMTS claiming system.

7.10. Source(s) of Funds

The contractor must document the source(s) of all funds and ensure the local matching fund(s):

7.10.1. Are within the contractor's control and budget;

7.10.2. Have complete backup documentation;

7.10.3. Are only provided by a unit(s) of government;

7.10.4. Are reasonable, allocable, and allowable for FFP; and

7.10.5. Meet all CPE Regulations.

7.11. Certification of Public Expenditures (CPE)

The contractor must comply with the following requirements for CPE:

7.11.1. A designated authorizing representative of the contractor must certify the expended amount shown on each quarterly invoice is accurate, valid, and represents expenditures eligible for FFP in accordance with CPE;

7.11.2. A designated authorizing representative of the contractor must certify applied local matching funds are not already used as matching funds in other federal programs and reimbursed by other federal grants;

7.11.3. A designated authorizing representative of the contractor must certify applied donated matching funds are preapproved for use by CMS' National Institutional Reimbursement Team (NIRT);

7.11.4. The contractor is prohibited from requiring or allowing private non-profits to participate in the financing of the non-federal share of expenditures. Non-governmental units may not voluntarily provide or be contractually required to provide any portion of the non-federal share of Medicaid expenditures;

7.11.5. The contractor must reimburse the total computable expended amounts to subcontractors for performance of allowable Medicaid administrative activities; and

7.11.6. Subcontractors must not be required to provide the non-federal share of the payment or return any portion of the total computable cost to the contractor.

8. HCA Monitoring and Oversight

The contractor is required to comply with the HCA RMTS monitoring plan as approved by CMS and detailed in this contract and the manual.

8.1. HCA and UMass Monitoring Activities

8.1.1. HCA and UMass will monitor and review the contractor's MAC program to ensure compliance with state and federal guidelines. The areas of review include but are not limited to:

8.1.1.1. Accuracy of and timely submission of RMTS data including but not limited to participant lists, calendaring, salary/benefit costs, and other claimable costs;

8.1.1.2. Compliance with training requirements; and

8.1.1.3. Meeting minimum response rate and statistical validity requirements.

8.1.1.4. Review quarterly claims submitted by the contractor for accuracy and timely submission;

8.1.1.5. Ensure that manually coded moments are assigned the correct activity code by reviewing fifteen percent (15%) of these quarterly moments;

8.1.1.6. Ensure that auto mapped moments are assigned the correct activity code by reviewing fifteen percent (15%) of these quarterly moments;

8.1.1.7. Monitor submission of all required audits including but not limited to SAO Audits, OMB Circular A-133 Single Audits, and Federal Reviews or Federal Audits;

8.1.1.8. Examine contractor RMTS trends including, but not limited to claims, moment response rates, participant moment responses, and calendaring;

8.1.1.9. Verify that the contractor has ensured all federal funds are properly off-set according to CMS requirements;

8.1.1.10. Verify that the contractor has ensured all CPEs comply with section 1903(w)(6)(A) of the Social Security Act and 42 CFR 433.51; and

8.1.1.11. Perform a quarterly claim review including but not limited to:

8.1.1.11.1. Check the Medicaid Eligibility Rate (MER) and indirect cost rates loaded into the RMTS system are correct;

8.1.1.11.2. Check that participants with claimed expenses participated in the RMTS for the claimed quarter;

8.1.1.11.3. Check that all RMTS pools met the eighty-five percent (85%) moment response rate requirement;

8.1.1.11.4. Check for change of status requests submitted during the quarter that could affect the claimed expenses; and

8.1.1.11.5. Compare quarterly expenses to prior quarter expenses and rectify large changes in salary, benefits, or federal funding percentage with contractor's MAC coordinator(s).

8.2. Corrective Action Plan

HCA will pursue a Corrective Action Plan (CAP) if the 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 CAP if the contractor fails to address or correct any problems sufficiently and in a timely manner, as determined by HCA.

8.2.1. 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.

8.2.2. The contractor must develop and submit a CAP to HCA for approval within thirty (30) calendar days of HCA's notification.

8.2.2.1. If corrective action is not taken within the time period agreed to by both parties in writing, the contract may be terminated per Section 28, *Termination for Cause*.

8.2.3. If the contractor fails to meet the requirements outlined in the CAP, HCA may impose remedial actions including, but not limited to:

8.2.3.1. Conducting more frequent reviews;

8.2.3.2. Delaying or denying payment of MAC claims;

8.2.3.3. Recouping of funds; or

8.2.3.4. Terminating the contract.

8.2.4. Other actions that may result in remedial actions include, but are not limited to:

8.2.4.1. Repeated and/or uncorrected errors in financial reporting;

8.2.4.2. Failure to maintain adequate documentation;

8.2.4.3. Failure to cooperate with state or federal staff;

8.2.4.4. Failure to provide accurate and timely information to state or federal staff as required;

8.2.4.5. Failure to meet time study minimum response rates;

8.2.4.6. Failure to meet statistical validity requirements; and

8.2.4.7. Failure to comply with the terms and conditions of this agreement.

8.2.5. Minimum Response Rate and Non-Responses:

Non-responses are moments not completed by participants within five (5) business days of moment occurrence. The return rate of valid responses for the RMTS must be a minimum of eighty-five percent (85%). The following remedial action may be required of the contractor if the RMTS response rate drops below eighty-five percent (85%):

8.2.5.1. Non-response rates greater than fifteen percent (15%):

8.2.5.1.1. HCA may send written notification to the contractor requesting a CAP to ensure a minimum eighty-five percent (85%) compliance rate for the RMTS is achieved in subsequent quarters;

8.2.5.1.2. The contractor must develop and submit the CAP to HCA for approval within thirty (30) business days of HCA's notification;

8.2.5.1.3. Failure to provide a timely CAP within thirty (30) business days may result in the contractor being prohibited from the participation in MAC for the following quarter or contract termination; and

8.2.5.1.4. An eighty-five percent (85%) compliance rate for the RMTS must be met in the following quarter.

8.2.5.2. Non-response rates greater than fifteen percent (15%) for two (2) consecutive quarters:

8.2.5.2.1. HCA may reduce reimbursement by thirty-five percent (35%) for the second consecutive quarter for each pool that does not meet the eighty-five percent (85%) compliance rate;

8.2.5.2.2. The contractor will be notified via certified mail of the reduced reimbursement; and

8.2.5.2.3. Eighty-five percent (85%) compliance rate for the RMTS must be met in the following quarter.

8.2.5.3. Non-response rates greater than fifteen percent (15%) for three (3) consecutive quarters:

8.2.5.3.1. HCA may deny all reimbursement for the third consecutive quarter;

8.2.5.3.2. The contractor may be prohibited from participating in the MAC program for the following quarter, fourth (4^{th}) consecutive quarter; and

8.2.5.3.3. 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 for the fourth (4th) consecutive quarter.

8.2.5.4. The contractor may not claim any denied or withheld reimbursement. The contractor may resume participation in the MAC program following the prohibited quarter (5th consecutive quarter). The contract may be terminated if the eighty-five percent (85%) compliance rate is not met after the contractor resumes participation.

8.2.6. HCA reserves the right to suspend all or part of the contract, withhold further payments, or prohibit contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by contractor or a decision by HCA to terminate the contract.