


PSA

Original Contract Number	19DSS1203JL	999-3JL-MED-01
Maximum Contract Value	\$2,379,887.35	
Contractor Contact Person	Lori Szczygiel	860.263.2005
Program	William Halsey	860.424.5077

**STATE OF CONNECTICUT
PERSONAL SERVICES AGREEMENT
("PSA", "Contract" and/or "contract")
Effective July 1, 2019 revised October 19, 2018**

The State of Connecticut DEPARTMENT OF SOCIAL SERVICES

Street: 55 FARMINGTON AVENUE

City: HARTFORD State: CT Zip: 06105

Tel#: (800) 842-1508 ("Agency" and/or "Department"), hereby enters into a Contract with:

Contractor's Name: Beacon Health Options, Inc.

Street: 1400 Crossways Blvd., Suite 101

City: Chesapeake State: VA Zip: 23320

Tel#: (757) 459-5483 FEIN/SS#: 541414194 DUNS: 088912141

("Contractor"), for the provision of services outlined in Part I and for the compliance with Part II. The Agency and the Contractor shall collectively be referred to as "Parties". The Contractor shall comply with the terms and conditions set forth in this Contract as follows:

Contract Term	This Contract is in effect from 9/30/2019 through 3/31/2021 .
Statutory Authority	The Agency is authorized to enter into this Contract pursuant to § 4-8 and 17b-3 of the Connecticut General Statutes ("C.G.S.").
Set-Aside Status	Contractor <input type="checkbox"/> IS or <input checked="" type="checkbox"/> IS NOT a set aside Contractor pursuant to C.G.S. § 4a-60g.
Effective Date	This Contract shall become effective only as of the date of signature by the Agency's authorized official(s) and, where applicable, the date of approval by the Office of the Attorney General ("OAG"). Upon such execution, this Contract shall be deemed effective for the entire term specified above.
Contract Amendment	Part I of this Contract may be amended only by means of a written instrument signed by the Agency, the Contractor, and, if required, the OAG. Part II of this Contract may be amended only in consultation with, and with the approval of, the OAG and the State of Connecticut, Office of Policy and Management ("OPM").

All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Contract (collectively called "Notices") shall be deemed to have been effected at such time as the Notice is hand-delivered, placed in the U.S. mail, first class and postage prepaid, return receipt requested, or placed with a recognized, overnight express delivery service that provides for a return receipt. All such Notices shall be in writing and shall be addressed as follows:

If to the Agency:	STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES 55 FARMINGTON AVENUE HARTFORD, CT 06105 Attention: Diana Speranza	If to the Contractor:	BEACON HEALTH OPTIONS, INC. 1400 CROSSWAYS, BOULEVARD, SUITE 101, CHESAPEAKE, VA 23320 Attention: Lori Szczygiel
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A party may modify the addressee or address for Notices by providing ten (10) days' prior written Notice to the other party. No formal amendment is required.

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PART I. SCOPE OF SERVICES, CONTRACT PERFORMANCE, BUDGET, REPORTS, PROGRAM-SPECIFIC AND AGENCY-SPECIFIC SECTIONS

The Contractor, Beacon Health Option, Inc., shall provide the following specific services for the Department of Social Services’ (DSS) Division of Health Services, and shall comply with the terms and conditions set forth in this Contract as required by the Agency, including but not limited to the requirements and measurements for scope of services, Contract performance, quality assurance, reports, terms of payment and budget. No sections in this Part I shall be interpreted to negate supersede or contradict any section of Part II. In the event of any such inconsistency between Part I and Part II, the sections of Part II shall control.

A. REQUIREMENTS:

1. Throughout the term of this contract, the Contractor shall ensure that funds made available under this contract shall be used to support Connecticut Opioid and other Substance Use Disorder Treatment and Recovery Service Capacity and Infrastructure Planning Program consistent with the terms of the federal grant upon which this contract is based. Documentation of goals and objectives shall be included in the required Progress Narrative reports described in Part I, Section G.1 of this contract. The goals of this Program that are incorporated herein as scope of services shall include, but shall not be limited to:

Goal	Contractor's Responsibilities
1. Assess the unmet need for Substance Use Disorder (SUD) and Opioid Use Disorder (OUD) treatment and recovery services for Medicaid-eligible individuals, including gaps in services as compared to the general population of the state.	<ol style="list-style-type: none"> 1. Using a variety of data sources, Beacon shall collaborate with other state agencies to estimate the number and percentage of adult and youth enrolled in Medicaid who have SUD/ODU. 2. Beacon shall engage the CT Alcohol and Drug Policy Council (ADPC), the Behavioral Health Partnership Oversight Council (BHPOC) and other key stakeholders to define core competency standards for treating SUD and defined SUD special populations. 3. Beacon shall design and disseminate a Medicaid provider assessment, which must be reviewed and approved by DSS, to determine key competencies in treating SUD special populations; slots available for treating SUD; availability of recovery support services; and attitudes towards/beliefs about treating SUD. 4. Beacon shall create a Medicaid provider capacity map for all SUD providers, broken down by ability to treat identified SUD special populations. 5. Using Department of Mental Health and Addiction Services (DMHAS) Bed Tracking System data, Beacon, in partnership with DMHAS, shall assess the average daily capacity for, and utilization of, SUD and OUD inpatient detoxification and treatment services. 6. Beacon shall develop and conduct a Medicaid member survey which shall measure member satisfaction with: access to SUD/ODU services, availability of appointments, competency and willingness of providers to treat SUD/ODU issues, and provider cultural and linguistic competency. 7. Using claims data, provided by DSS, Beacon shall analyze data to understand the percentage of Medicaid members receiving the standard of care for the treatment of SUD, including screening, medication management, Medication Assisted Treatment (MAT), SUD residential detox, SUD intensive outpatient treatment and any form of care coordination or case management within the claims system.

	<p>8. Beacon shall conduct an analysis of current access patterns including, but not limited to: appointment availability, waiting time, and length of time between referral to treatment and the date of a claim for that treatment.</p> <p>9. Beacon shall assess current and potential capacity of Enhanced Care Clinics (ECCs) and other licensed SUD clinics to support care coordination with primary care, mental health, and SUD, particularly OUD, providers.</p> <p>10. Beacon shall conduct a comparative analysis of SUD prevalence for Medicaid members within the State of Connecticut based on Medicaid data with national prevalence data for pregnant/postpartum women, including measurement of opioid prescriptions filled, admissions to SUD treatment, and utilization of methadone treatment.</p> <p>11. Beacon shall conduct a comparative analysis of OUD prevalence for Medicaid members within the State of Connecticut with national averages, including measurement of opioid poisonings and opioid overdoses by children and youth; age, gender, and ethnicity of children and youth with opioid poisoning/opioid overdose events; children and</p>
<p>2. Assess the unique needs of Medicaid sub-populations, including soliciting input from Medicaid members of these sub-population groups, for age- and gender-appropriate and culturally relevant SUD and OUD treatment and recovery services. Assessment activities shall focus on the following Medicaid sub-populations:</p> <ul style="list-style-type: none"> a. Pregnant and postpartum women b. Infants, including those with Neonatal Abstinence Syndrome (NAS) and Neonatal Opioid Withdrawal Syndrome (NOWS) c. Adolescents and young adults between the ages of 12 and 21 years d. American Indians/Alaska Natives e. People living in rural areas f. Medicare-Medicaid dually-eligible individuals 	<p>1. Beacon and partner state agencies shall develop a plan in preparation to an initiative for routine OUD screening and referral to treatment of pregnant women in primary care and hospital settings using validated screening tools. This plan must be reviewed and approved by DSS.</p> <p>2. Using claims data provided by DSS, Beacon shall assess the number of Medicaid-enrolled infants diagnosed with NAS/NOWS compared to the number of providers, including hospitals, providing services to meet the needs of infants with NAS/NOWS.</p> <p>3. Beacon, with partner state agencies and in collaboration with the medical Administrative Services Organization, shall identify measures of competency to provide services to support infants with NAS/NOWS, such as training in the “Eat, Sleep, Console” (ESC) model, as described in the National Center for Biotechnology Information (NCBI)’s article, “Eat, Sleep, Console Approach: A Family-Centered Model for the Treatment of Neonatal Abstinence Syndrome”¹, and shall use the identified competencies to assess current provider qualifications and capacity.</p> <p>4. Beacon shall assess SUD treatment needs of transitional age youth who are between the ages of 12 and 21 years, using data coordinated and analyzed from the data systems of each of the three state agencies that make up the behavioral health partnership (Department of Social Services, Department of Mental Health and Addiction Services, and Department of Children and Families).</p> <p>5. Beacon shall collaborate with agencies serving individuals with HIV infection to identify SUD/OUD treatment competency</p>

¹ Grisham LM1, Stephen MM, Coykendall MR, Kane MF, Maurer JA, Bader MY, 2019, “Eat, Sleep, Console Approach: A Family-Centered Model for the Treatment of Neonatal Abstinence Syndrome”, retrieved at <https://www.ncbi.nlm.nih.gov/pubmed/30855311?report=docsum>

<p>g. Older adults who are over the age of 65</p> <p>h. Persons diagnosed with HIV infection</p> <p>i. High need, high cost cohort as defined within the existing Beacon Administrative Services Organization (ASO) contract with the Department. High need, high cost cohort are individuals with at least three inpatient hospital within 6 months.</p> <p>j. Individuals leaving a correctional facility, DSS shall provide Contractor the methodology to identify individuals involved in the criminal justice system within the Medicaid eligibility system</p>	<p>standards and needs for this population.</p> <p>6. Beacon shall assess potential to expand capacity for providing SUD/ODU services to Medicaid members with HIV infection and injection drug use.</p> <p>7. Beacon shall develop predictive modeling methodology based on characteristics of the high need/high cost cohort to understand the predicted size and treatment needs of the population, including intensive care management.</p>
<p>3. Design activities based on assessment results that shall improve state infrastructure for SUD and OUD treatment and recovery services, including activities geared toward:</p> <p>a. Recruitment of new SUD and OUD providers, capable of treating special populations, including certified MAT providers, detoxification service providers, and providers serving rural areas of the state, such as Litchfield, Windham, and New London counties;</p> <p>b. Education and training of providers to provide evidence-based SUD treatments, such as Cognitive Behavioral Therapy, Motivational Enhancement Therapy, and Contingency Management; and</p> <p>c. Reduction in stigma associated with SUD populations, resulting in increased SUD treatment capacity through improved willingness on the part of providers to serve these</p>	<p>1. Beacon shall solicit stakeholder input and evaluate the potential to expand its existing behavioral health home (BHH) model to develop specialized SUD and/or opioid health homes.</p> <p>2. Beacon shall provide recommendations to the Department on how to expand participation of MAT providers in peer learning opportunities, such as, Project Extension for Community Healthcare Outcomes (ECHO) for OUD, or other methods or vehicles to share best practices with providers.</p> <p>3. Beacon shall implement SUD/ODU provider recruitment efforts, including targeted recruitment of telehealth providers of MAT services, to meet the needs of counties with the highest member-to-SUD/ODU provider ratios.</p> <p>4. Beacon shall collaborate with local agencies serving older adults to design and develop an implementation plan for training primary care physicians on recognizing SUD/ODU in the older adult population and on Screening, Brief Intervention, and Referral to Treatment (SBIRT). This plan must be reviewed and approved by DSS</p> <p>5. Beacon shall leverage the Pay for Performance (OB P4P) program for obstetrical care to promote and incentivize screening of pregnant/postpartum women for SUD/ODU, and shall add referral to treatment as a P4P provider performance measure.</p> <p>6. Beacon shall provide to the Department an analysis of value-based payment methodologies for SUD providers, especially MAT providers. The specific deliverable will be recommendations on healthcare outcome measures to be used as part of a value based payment model.</p> <p>7. Beacon shall evaluate the capability and willingness of Medicaid</p>

<p>populations.</p>	<p>providers with a specialty in infant care to treat infants with NAS or NOWS under a bundled rate and shall define the covered services to be included in the bundled rate. 8. Beacon shall develop a plan for recruitment, credentialing, Medicaid reimbursement, and training of peer support providers to provide services for SUD/ODU populations and subpopulations. This plan must be reviewed and approved by DSS.</p> <p>8. Beacon shall analyze historical growth in the volume of MAT providers to project future growth and shall verify projections using the CT BHP Medicaid MAT Provider Locator Map.</p> <p>9. Beacon shall continue expanding training and technical assistance to inpatient psychiatric programs to improve screening, MAT induction on the inpatient unit, and warm transfer to continuing care.</p> <p>10. Beacon shall assess the quantitative need for expanding the workforce of peer support providers for all enrolled SUD/ODU populations and subpopulations, particularly youth.</p> <p>11. Beacon and DSS shall collaborate with the CT Office of Rural Health (CT-ORH), and the Litchfield County Opioid Task Force to identify rural regions with unmet needs for SUD/ODU treatment services, and shall engage providers serving those regions to calculate capacity to add or expand SUD/ODU services, including telehealth MAT services, for Medicaid members residing in the regions.</p> <p>12. Beacon shall target efforts to recruit SUD/ODU providers who serve female Medicaid members to develop capacity to provide SUD/ODU services to HIV-positive women with a history of injection drug use.</p> <p>13. Beacon and partner state agencies shall explore opportunities, specifically, do a literature review and a review of other Medicaid programs across the country, to expand Medicaid coverage to include alternative treatments (to opioids) for pain management.</p>
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2. Funding Identification. Federal Funding has been provided for this contract as follows:

Name of Federal Agency Awarding	U.S. Dept. Health and Human Services, Centers for Medicare & Medicaid Services (CMS)
Type of Award	Demonstration
Title of Project	Connecticut Opioid and other Substance Use Disorder Treatment and Recovery Service Capacity and Infrastructure Planning
CFDA No.	93.664
GRANT No.	2C2CMS331735-01-00
Budget Period	09/30/2019 - 03/31/2021
Assistance Type	Cooperative Agreement

3. HHS Grants Policy Statement (HHS GPS)

- a. This award is subject to the requirements of the HHS GPS that are applicable to the agency based on the agency type and the purpose of this award [available <http://www.hhs.gov/sites/default/files/grants/grants/policiesregulations/hhsgps107.pdf>]. The general terms and

conditions in the HHS GPS shall apply as indicated unless there are statutory, regulatory, or award-specific requirements to the contrary.

- b. The HHS regulation, 45 CFR Part 75, effective December 26, 2014, therefore supersedes information on administrative requirements, cost principles, and audit requirements for grants and cooperative agreement included in the current HHS Grants Policy Statement where differences are identified.

4. **Federal Financial Accountability and Transparency Act (FFATA)**

- a. The Contractor hereby agrees to register with the Federal System for Award Management (SAM) at <https://www.sam.gov> to assist the Department with meeting its obligation to comply with the Federal Funding Accountability and Transparency Act (FFATA).
- b. The Contractor ensures that it shall remain active in SAM by updating its SAM profile at least every 12 months. Upon notification by the Department that its SAM status is not active, the Contractor shall update its SAM profile within five business days of such notification. The Contractor's failure to comply may impact future issuance of payments by the Department.

5. **Trafficking in Persons**

- a. Pursuant to §106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C 7104), the Agency shall terminate this Contract immediately and report such termination to HRSA if it determines that the any of the employees or volunteers of the Contractor, or any of its subcontractors or vendors, has performed any of the following actions:
 - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - ii. Procure a commercial sex act during the period of time that the award is in effect; or
 - iii. Use forced labor in the performance of the services under this Contract.
- b. Guidance on this act is available at <https://www.acf.hhs.gov/grants/award-term-and-condition-for- trafficking-in-persons>

6. **Conflict of Interest Policy**

Throughout the term of this contract, the Contractor ensures to establish safeguards to prevent employees, officers, or agents of the non-Federal entity such as consultants, contractors, members of governing bodies, and others who may be involved in grant-supported activities from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial or other gain for themselves or others, such as those with whom they have family, business, or other ties. These safeguards must be reflected in written standards of conduct.

7. **Accessibility Provisions Section 504**

Throughout the term of this contract, the Contractor ensures the Department administers this program in compliance with federal civil rights laws. This means that the Contractor must ensure equal access to this program without regard to a person's race, color, national origin, disability, age and, in some circumstances, sex and religion.

8. **Termination**

In addition to the Termination requirements of Part II, Section D, the Contractor shall adhere to the following provisions:

- a. The Department may terminate this grant agreement, or any part hereof, if the Contractor materially fails to comply with the terms and conditions of this award, or provisions of law pertaining to agreement performance. Materially fails includes, but is not limited to, violation of the terms and conditions of the award; failure to perform award activities in a satisfactory manner; improper management or use of award funds; or fraud, waste, abuse, mismanagement, or criminal activity.
- b. In addition, the Department may terminate this award if the Contractor fails to provide the Department, upon request, with adequate written and signed assurances of future performance. The Department shall promptly notify the Contractor in writing of such termination and the reasons for it, together with the effective date.

c. The department may terminate this award as set forth in 45 CFR §75.372, *Termination*.

B. DESCRIPTION OF PROGRAM AND SERVICES

1. This contract is for planning purposes only, no direct clinical services shall be provided. The federal funding is specifically for the purposes of assessing the needs of individuals with substance use disorders, assessing the treatment system capacity to meet those needs of individuals with substance use disorders, and to develop a plan to address how the state can meet the unmet needs determined through this contract.
2. **Target Population:** The general population to be assessed through data analytics and surveys are children and adults with substance use disorders and who are eligible for Medicaid. Specific sub-populations shall include, but shall not be limited to the following: Pregnant women, postpartum women, infants (including those with neonatal abstinence syndrome), adolescents and young adults between the ages of 12 and 21, American Indians and Alaska Natives (AI/ANs), people living in rural areas, individuals involved in the criminal justice system, older adults and Medicare-Medicaid dual-eligible.

C. CONTRACTOR RESPONSIBILITIES

1. The Contractor shall complete all Contractor Responsibilities including the fulfillment of the scope of work of this contract, as detailed within Part I, Section A.1.Federal Requirements. All information that the Contractor is required to produce in said section shall be provided in writing to the Department.
2. The Contractor ensures that the funds may not be used to pay healthcare providers for SUD treatment or care delivery.
3. The Contractor shall fulfill all the requirements obligations related to Program Reporting and Financial Reporting.

D. DEPARTMENT RESPONSIBILITIES

1. **Department’s Responsibility for the Performance reporting and spending for contractor**
 - a. The Department is responsible for reviewing performance, reporting, and spending for the contractor as referred to in Sections F., G. and H. below. The department shall ensure the timeliness and accuracy of required reporting for the contractor.
 - b. The Department is responsible for the performance and progress of the contractor toward the goals and milestones of federal grant.
 - c. The Department shall take necessary corrective action for the contractor that is not meeting the goals and milestones of federal grant, as set forth in the Funding Opportunity Announcement (FOA).
2. The Department is responsible for all accountability and deliverables to CMS on this grant, including but not limited to financial and programmatic reports outlined in the federal notice of award.

E. PROGRAM ADMINISTRATION

1. Throughout the term of this contract, the Contractor shall staff the Program with the following positions and assure that they perform the specified responsibilities:

Position	Credentials/ Experience	Responsibilities
Project Director (1.0 FTE, based in CT with Ability to travel across the state)	Masters Level Degree Greater than 5 years of Project Management experience	Provide overall direction and leadership on the project.. Hire and train Contractor staff. Convene and facilitate regional member and provider focus groups. Convene and facilitate ad hoc committees in order to solicit feedback from various stakeholder entities. Responsible for all Contractor deliverables.

Project Manager
(1.0 FTE, based in CT with ability to travel across the state)

B.S. Degree
Greater than 2 years as Project Manager PMP Certification preferred

Provides management controls and coordination mechanisms to ensure the timely and successful execution of this project,
Development and maintenance of project plan,
Tracking all communications,
Managing all logistics for meetings and travel,
Taking notes and disseminating meeting minutes

Regional Assessment, Training and Support Specialists
(6.0 FTE, based in strategic locations throughout the state with ability to travel within their assigned area and to centrally located State Meeting)

B.S. Degree
Greater than 2 years' experience working with local area SUD agencies and resources
Experience training healthcare staff
Experience using data and quality improvement activities

Perform key initial assessment activities during planning phase including surveying and key informant interviews,
Recruit and maintain collaborative relationships with SUD providers and community resources as well as PCMH practices, FQHCs and hospital ERs,
Offer direct support to practices, with a long-term goal of helping them develop their own resources and skills to manage their SUD Medicaid population effectively,
Advise on data collection and review quality measure results with SUD providers on a quarterly basis

Healthcare Data Scientist
(1.0 FTE, based in CT)

Master's Degree
Experience using Statistical Analysis System (SAS) for data analysis
Experience as business analyst developing specifications for coding
Experience with reporting applications such as Tableau
Experience developing predictive models

Oversees data collection activities,
Responsible for data structure integrity and readiness for analysis,
Develops and documents reporting specifications,
Runs analysis for reporting Grant specific data and quality measures,
Reporting to include formats suitable for multiple types of audiences, i.e. finance, CMS, legislative/community stakeholders, etc.

SQL Developer (1.0 FTE)

BS Degree

Works directly in conjunction with the HealthCare Data scientist to program reports from all delineated sources for analysis and data visualization,
Provides analytical services for business data needs and makes for recommendations for visible solutions,
Trouble shoots data issues, validates result sets,

recommends/ implements
process improvement.

Training and Outreach
Coordinator (1.0 FTE)

BS Degree

Oversees all activities related to
the initial assessment, stakeholder
meetings, and community
involvement to deliver key goals
and objectives.

Department and the Connecticut Behavioral Health Partnership Administrative Services Organization (CT BHP ASO) are also seeking to ensure that the fulfillment of all multi-faceted activities in this initial assessment receive close direction from key subject matter experts throughout implementation. Thus, the CT BHP ASO shall allocate the following partial FTEs to provide the project with key expertise to support fidelity and success: 0.05 FTE Associate Vice President (AVP) Advanced Analytics, 0.20 FTE Addiction Psychiatrist, and 0.10 Director of Communications. Each of these partial FTEs shall play an instrumental role in ensuring that objectives are met according to industry standards.

- 2. The Contractor shall be located at 500 Enterprise Drive, Suite 3D, Rocky Hill, CT 06067. Standard Program hours of operation shall be Monday – Friday, 8:30am to 5:00 pm, and shall operate 52 weeks per year during the contract period. The Contractor may recognize, but not exceed in number the paid holidays recognized by the Department of Administrative Services (DAS) for state employees.
- 3. Meetings with stakeholders may occur at the contractor site or be held in the community. After hours and weekend consultation shall be available on a limited basis.

F. PROGRAM EVALUATION

The final deliverable of the SUD planning grant shall be a comprehensive report on that assessment of service needs of individuals with SUD and the treatment service system capacity to meet those needs. The final report to CMS as part of this grant shall serve as the program evaluation deliverable for this contract.

Specific deliverables shall include:

- a. Evaluation of youth with SUD needs
- b. Evaluation of adults with SUD needs
- c. Evaluation of special population SUD needs
- d. Evaluation of treatment system capacity to meet the needs of youth, adults and special populations with SUD

G. PROGRAMMATING REPORTING

1. Program Progress Report

- a. The Contractor must comply with the frequency and content requirements outlined in the NOA, Standard Grant/Cooperative Agreement Terms and Conditions, Attachments B, C, D, E, F, G and Program Special Terms and Conditions, Section 4 and 5 which is incorporated herein by reference, as Exhibit A. Failure to submit programmatic and financial reports on time to the Department may be basis for withholding financial assistance payments, suspension, termination or denial of continued funding. Contractor’s failure to timely submit such reports may result in a designation of “high risk” for the Department and may jeopardize potential future funding from the U.S. Department of Health & Human Services. Prior to closeout of the grant, the Contractor must submit a tangible personal property report.

2. Quarterly Program Progress Reports

- a. The Contractor shall complete quarterly Program Progress Reports. The quarterly Program Progress Reports require narrative updates on grant activities as well as information on the work plan timeline and goals in accordance with the

incorporated requirements outlined in the NOA, Standard Grant/Cooperative Agreement Terms and Conditions, Attachments B,C,D,E,F,G and Program Special Terms and Conditions, Section 4 and 5 which is incorporated herein by reference, as Exhibit A.

- b. The Contractor shall provide information on the initial assessment of behavioral health treatment needs of the state and expansion of SUD treatment and recovery service capacity including but not limited to:
 - (1) Cooperative agreement implementation status;
 - (2) Program staffing;
 - (3) Formal engagement of all stakeholders;
 - (4) Activities focused on the Medicaid subpopulations: pregnant women, postpartum women,
 - (5) infants (including those with neonatal abstinence syndrome), adolescents and young adults between the ages of 12 and 21, American Indians and Alaska Natives (AI/ANs),
 - (6) people living in rural areas, and Medicare-Medicaid dual-eligible;
 - (7) Experiences of the beneficiaries and providers;
 - (8) Strategies employed;
 - (9) Challenges and responses;
 - (10) Progress with program monitoring and improvements as needed.

3. Semi-Annual Program Progress Reports.

- a. The Contractor shall submit semi-annual Program Progress Reports to the Department. Semi-annual Program Progress Reports are due 30 days after the end of each semi-annual (6 month) reporting period:

Semi-Annual Reporting Period:	Report due:
September 20, 2019 to March 31, 2020	April 15, 2020
April 1, 2020 to September 30, 2020	October 15, 2020

- b. Semi-annual Program Progress Report must cover activities that took place in the prior six-month period and include at a minimum:
 - 1. SUD treatment and recovery services access and utilization data and analysis of trends.
 - 2. An assessment of the effectiveness of the efforts of the state to expand the capacity of providers to deliver SUD treatment or recovery services, inclusive of the special population referenced in Goal 3 of the Scope of Services;
 - 3. A plan for how the Contractor shall sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project after the termination of the demonstration project;
 - 4. A description of Contractor efforts to sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project:
 - For Semi-Annual Period 1- Contractor shall describe its initial sustainability plan and timeline,
 - For Semi-Annual Period 2- Contractor shall describe its final sustainability plan and timeline.

4. Annual Progress Reports

CMS shall provide the Department with guidance and/or template for the Annual Progress Report reporting period, September 30, 2019 through September 30, 2020. Upon receipt of this guidance/template, DSS shall send the template to the Contractor and the Contractor shall complete the Annual Progress Report which shall be submitted to the Department by October 15, 2020.

5. Final Program Progress Report.

The Final Program Progress Report is due 90 days after the project period end date (June 30, 2021), should assess the overall effectiveness of the project and suggest how the specific strategies and activities could be amended to better achieve stated goals. This report shall encompass key factors describing and summarizing the overall success and cumulative outcomes of the cooperative agreement including:

- a. A description of all funding sources available to the state to provide SUD treatment or recovery services in the state;
- b. A final sustainability plan and timeline for how the state shall sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project after the termination of the demonstration project;

- c. A description of how the State shall coordinate the goals of the demonstration project with any approved waiver program (submitted by the state and pending) pursuant to Section 1115 of the Social Security Act for the delivery of SUD services under the State plan, as applicable; and
- d. The Contractor shall submit to the Department other information as requested by CMS for the program evaluation.

H. FINANCIAL REPORTING

1. The Contractor shall submit to the Department quarterly fiscal reports in a format outlined by the Department's Program representative.
2. The contractor must also report on Federal expenditures, Department Share (if applicable), and Program Income (if applicable and/or allowable) at least annually.
3. The Contractor shall submit such required financial reports to the Department's Program representative located at Medicaid Services Division, Department of Social Services, 55 Farmington Avenue, Hartford, CT 06105.
4. Interest: Any interest earned by the Contractor as a result of payments authorized by the Department shall be reported to the Department by the Contractor on the next Quarterly Financial Report submitted after that interest income is earned. The Contractor agrees to follow the Department's direction as to the disposition of such interest income.

K. TERMS OF PAYMENT AND BUDGET

1. For the performance of the services and tasks described herein, based upon review and approval by the Department, the Contractor shall receive a maximum dollar amount not to exceed **\$2,379,887.35** for the contract period 09/30/2019 through and including 03/31/2021. Upon execution of the contract, the Department shall pay the contractor the amount equal to one quarter of the annual budget (October 1, 2019 - December 31, 2019).
2. The contractor shall submit prospective quarterly invoices to the Department. The first quarterly payment shall be submitted to the Department upon execution of this contract.. The final prospective quarterly invoice for the contract will include a full reconciled account of actual expenditures for the first 12 months of the contract. The Contract shall submit a fully reconciled account of the entire grant period within 60 days of the termination of the contract.
3. The Contractor shall comply with 45 CFR75.308, Revision of budget and program plans, per the federal Notice of Award. The Contractor shall submit a formal request to Department in order transfer funds among direct cost categories or programs, functions and activities in excess of \$50,000 per occurrence.
4. Budget is incorporated herein as part of this Contract:

SUD BUDGET					
A. Personnel Salaries and Wages					
Position Title	Annual Salary	FTE	Time	Months	Amount Requested
AVP Advanced Analytics	\$ 143,400.00	0.05	100%	18	\$ 10,755.00
Project Director	\$ 113,317.00	1.00	100%	18	\$ 169,975.50
Project Management	\$ 79,322.00	1.00	100%	18	\$ 118,983.00
Healthcare Data Scientist	\$ 110,226.00	1.00	100%	18	\$ 165,339.00
Regional Assessment, Training and Support Specialists	\$ 77,261.00	6.00	100%	18	\$ 695,349.00
Training Outreach Coordinator	\$ 72,111.00	1.00	100%	18	\$ 108,166.50
SQL Developer	\$ 87,563.00	1.00	100%	18	\$ 131,344.50
Dir. Communications	\$ 92,200.00	0.10	100%	18	\$ 13,830.00
Addiction Psychiatrist (MD)	\$ 189,600.00	0.20	100%	18	\$ 56,880.00
Director of Finance	\$ 92,000.00	0.05	100%	18	\$ 6,900.00
Financial Analyst	\$ 65,866.50	0.25	100%	18	\$ 24,699.94
Subtotal Salaries & Wages		11.65			\$ 1,502,222.44
	<i>Direct FTE</i>	11.00			
B. Fringe Benefits					
Base	Rate		Basis	Amount Requested	
Federal Payroll Tax (FICA)	\$ 132,900.00	7.65%	\$ 1,502,222.44	\$ 114,920.02	
Federal Unemployment Tax (FUTA)	\$ 6,000.00	4.00%	\$ 69,900.00	\$ 2,796.00	
State Unemployment Tax (SUTA)	\$ 15,000.00	2.00%	\$ 174,750.00	\$ 3,495.00	
Healthcare, Workman's Compensation, 401K, Tuition Reimb.		13.45%	\$ 1,502,222.44	\$ 202,048.92	
Subtotal Fringe Benefits				\$ 323,259.93	
C. Travel					
Location	Rate	Miles	Trips	Cost	
Mileage	Provider Sites \$ 0.58	50	104 per ATSS	\$ 17,915.04	
Meetings	DSS, LOB \$ 0.58	21	20	\$ 2,192.40	
Subtotal Travel				\$ 20,107.44	
D. Equipment					
Director Office					
Cubicle (11)	<i>Furniture</i>	<i>Desk, chair, 1 Pedestal file</i>		\$ 22,924.00	
Subtotal Equipment				\$ 22,924.00	
E. Supplies					
Rate	FTEs		Cost		
Laptop package w/Software	\$ 2,700	11.00	<i>Laptop, Monitor, Mou</i>	\$ 29,700.00	
Telcom Equipment	\$ 1,859	11.00	<i>Avaya 1408 Desktop E</i>	\$ 20,449.00	
Cell Phones	\$56.62/month	4	<i>Cell Phones for the Re</i>	\$ 4,076.64	
Office Supplies	\$ 35 per month	11.00	<i>General supplies</i>	\$ 6,930.00	
Copier Costs		11.00	<i>Per FTE \$107/yr.</i>	\$ 1,765.50	
Marketing brochures	\$ 0.60	7,000	<i>4-5 Specialty brochures</i>	\$ 4,200.00	
Subtotal Supplies				\$ 67,121.14	
F. Consultant/Contractual Costs - Not Applicable					

G. Construction - Not Applicable						
H. Other						
Audit Fees	Allocated costs based on contract size				\$	3,100
Member Stipends	Medicaid Stakeholder reimbursement - 10				\$	4,000
Software Licenses	Tableau Server 2 Developer Licenses \$ 1,999 x 2 and				\$	7,994
Lease Liability Exp.	Rent (Plant/Utility cost) per \$5,400 per year				\$	89,100
Telephone/Data	Telephone Line Fees. Cost per FTE = \$1,176 per year				\$	19,404
Recruitment Advertising	Position advertising - avg \$ per ad = \$75 - 2 postings				\$	1,650
Recruitment Costs	Initially, \$1,850 per FTE, some higher level				\$	23,100
Provider Survey	Assume Survey Monkey (Hippa Compliant) License				\$	3,750
Member Survey	Estimate to hire a Survey vendor/research firm with				\$	38,000
Network Build	Estimate of IT programming changes to web-based				\$	40,000
Postage Expense	5 pieces of routine mail per FTE per month x \$.55				\$	545
Insurance	Allocated cost based on cost allocation among				\$	2,400
Provider Directories	Purchase of various Provider Directories - Assume				\$	1,500
Subtotal Other					\$	234,542.00
A	Total Direct Costs					\$ 2,170,176.95
B	Indirect Costs				MTDC \$ 2,097,104	10.00%
					\$	2,379,887.35

5. The Contractor agrees to utilize the allocated grant funds in accordance with the budget incorporated above.
6. Funds allocated for the Contractor are restricted and may not be expensed without prior written approval from the DSS.
7. The Contractor must submit a written request for payment on a quarterly basis. Each payment request must be submitted on a DSS W-1270 Form to the Department's program representative located at 55 Farmington Avenue, Hartford, CT 06105. Requests for payment shall be honored and funds shall be released based on submission by the Contractor, with review and acceptance by the Department, of quarterly status and programming and financial reports described in Section G and H above; the availability of funds; and the Contractor's satisfactory compliance with the terms of the contract.
8. Per 45 CFR §75.309(a), the Contractor may charge the Department to the Federal award only allowable costs incurred during the period of performance (except as described in 45 CFR §75.461. Funds available to pay allowable costs during the period of performance include both Federal funds awarded and carryover balances. Any funds used for any purpose other than for the approved program, including disallowed costs, should be returned to the Department.

L. LIASONS:

Both parties agree to have specifically named liaisons at all times. These representatives of the parties shall be the first contacts regarding any questions and problems that arise during implementation and operation of this contract.

M. NOTICES:

In addition to the persons listed on page 1 of this contract, notices shall be addressed follows:

a. In case of notice(s) to the Department regarding the scope of services:

William Halsey
 Director of Integrated Care
 william.halsey@ct.gov
 phone: 860.424.5077

b. In case of notice to the Department for fiscal matters:

Michael Gilbert
Director, Division of Fiscal Analysis
Department of Social Services
55 Farmington Avenue
Hartford, CT 06105-3725
mike.gilbert@ct.gov
(860) 424-4852

c. In case of Notice to the Contractor:

Lori Szczygiel
CT Chief Executive Officer
Beacon Health Options, Inc.
1400 Crossways, Boulevard, Suite 101
Chesapeake, VA 23320
Email: Lori.Szczygiel@beaconhealthoptions.com
Phone: 860-263-2005

With a copy to:
General Counsel
Beacon Health Options
200 State Street
Boston, MA 02109

N. TERM:

This contract shall be in effect from 09/30/2019 through and including 03/31/2021.

Part 2 Effective July 1, 2019

PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

A. **Definitions.** Unless otherwise indicated, the following terms shall have the following corresponding definitions:

1. **"Bid"** shall mean a bid submitted in response to a solicitation.
2. **"Breach"** shall mean a party's failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
3. **"Cancellation"** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
4. **"Claims"** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
5. **"Client"** shall mean a recipient of the Contractor's Services.
6. **"Contract"** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
7. **"Contractor Parties"** shall mean a Contractor's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this Contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
8. **"Data"** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
9. **"Expiration"** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract's term being completed.
10. **"Force Majeure"** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
11. **"Confidential Information" (formerly "Personal Information")** shall mean any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual including, but not limited to, such individual's name, date of birth, mother's maiden name, motor vehicle operator's license number, Social Security number, employee identification number, employer or taxpayer identification number, alien registration number, government passport number, health insurance identification number, demand deposit account number, savings account number, credit card number, debit card number or unique biometric data such as fingerprint, voice print, retina or iris image, or other unique physical representation. Without limiting the foregoing, Confidential Information shall also include any information regarding clients that the Agency classifies as "confidential" or "restricted." Confidential Information shall not include information that may be lawfully obtained from publicly available sources or from federal, state, or local government records which are lawfully made available to the general public.
12. **"Confidential Information Breach" (formerly "Personal Information Breach")** shall mean, generally, an instance where an unauthorized person or entity accesses Confidential Information in any manner, including but not limited to the following occurrences: (1) any Confidential Information that is not encrypted or protected is misplaced, lost, stolen or in any way compromised; (2) one or more third parties have had access to or taken control or possession of any Confidential Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Confidential Information together with the confidential process or key that is capable of compromising the integrity of the Confidential Information; or (4) if there is a substantial risk of identity theft or fraud to the client, the Agency, the Contractor, or the State.

13. **"Records"** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries, correspondence, and program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract, kept or stored in any form.
14. **"Services"** shall mean the performance of Services as stated in Part I of this Contract.
15. **"State"** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
16. **"Termination"** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. Client-Related Safeguards.

1. **Safeguarding Client Information.** The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.
2. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 17a-101q, inclusive, 17a-102a, 17a-103 through 17a-103e, inclusive, 19a-216, 46b 120 (related to children); C.G.S. § 46a-11b (relative to persons with intellectual disabilities or any individual who receives services from the State); and C.G.S. § 17a-412 (relative to elderly persons).
3. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Emergency Services and Public Protection Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. Contractor Obligations.

1. **Cost Standards.** The Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM the Web at http://www.ct.gov/opm/cwp/view.asp?a=2981&Q=382994&opmNav_GID=1806.
2. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the Department of Social Services or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
3. **Organizational Information, Conflict of Interest, IRS Form 990.** During the term of this Contract and for the one hundred eighty (180) days following its date of Termination and/or Cancellation, the Contractor shall upon the Agency's request provide copies of the following documents within ten (10) days after receipt of the request:
 - (a) its most recent IRS Form 990 submitted to the Internal Revenue Service, and
 - (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

This provision shall continue to be binding upon the Contractor for one hundred and eighty (180) days following the termination or cancellation of the Contract.

4. Federal Funds.

- (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.
- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act ("DRA") of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
 - (1) Contractor acknowledges that it has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in cancellation or termination of this Contract.
 - (2) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (c) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (d) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General ("HHS/OIG") Excluded Parties list and the Office of Foreign Assets Control ("OFAC") list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform Services in connection with such program. The Agency may cancel or terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. Audit and Inspection of Plant, Places of Business and Records.

- (a) The State and its agents, including, but not limited to, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents, or where applicable, federal agencies, may, at reasonable hours, inspect and examine all of the parts of the Contractor's and Contractor's Parties' plants and places of business which, in any way, are related to, or involved in, the performance of this Contract. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall maintain, and shall require each of the Contractor Parties to maintain accurate and complete Records. The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State and its agents.
- (c) The State shall make all requests for any audit or inspection in writing and shall provide the Contractor with at least twenty-four (24) hours' notice prior to the requested audit and inspection date. If the State suspects fraud or other abuse, or in the event of an emergency, the State is not obligated to provide any prior notice.
- (d) The Contractor will pay for all costs and expenses of any audit and inspection which reveals information that, in the sole determination of the State, is sufficient to constitute a breach by the Contractor under this Contract. The Contractor will remit full payment to the State for such audit or inspection no later than thirty (30) days after receiving an invoice from the State.
- (e) The Contractor shall keep and preserve or cause to be kept and preserved all of its and Contractor Parties' Records until three (3) years after the latter of (i) final payment under this Contract, (ii) the expiration or earlier termination of this Contract, as the same may be modified for any reason. The State may request an audit or inspection at any time during this

period. If any Claim or audit is started before the expiration of this period, the Contractor shall retain or cause to be retained all Records until all Claims or audit findings have been resolved.

- (f) The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (g) The Contractor must incorporate this entire Section verbatim into any contract or other agreement it enters into with any Contractor Party.

6. Related Party Transactions. The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

- (a) Real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;
- (c) Mortgages, loans and working capital loans; and
- (d) Contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

7. Suspension or Debarment. In addition to the representations and requirements set forth in Section C.4:

- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
 - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);
 - (2) within a three year period preceding the effective date of this Contract, have not been convicted 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; for 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;
 - (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; and
 - (4) have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
- (b) Any change in the above status shall be immediately reported to the Agency.

8. Liaison. Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.

9. Subcontracts. Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.

10. Independent Capacity of Contractor. The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.

11. Indemnification.

- (a) The Contractor shall indemnify, defend and hold harmless the State and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all (1) Claims arising, directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively, the "Acts") of the Contractor or Contractor Parties; and (2) liabilities, damages, losses, costs and expenses, including but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts of the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its obligations under this section. The Contractor's obligations under this section to indemnify, defend and hold harmless against Claims includes Claims concerning (i) the confidentiality of any part of or all of the Contractor's bid or proposal, and (ii) Records, intellectual property rights, other proprietary rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, or Goods furnished or used in the performance of the Contract. For purposes of this provision, "Goods" means all things which are movable at the time that the Contract is effective and which includes, without limiting this definition, supplies, materials and equipment.
- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such Claims.
- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims. The Contractor shall not be responsible for indemnifying or holding the State harmless from any liability solely from the negligence of the State or any other person or entity acting under the direct control or supervision of the State.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any provisions survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall cause the State to be named as an additional insured on the policy and shall provide (1) a certificate of insurance, (2) the declaration page and (3) the additional insured endorsement to the policy to the Client Agency all in an electronic format acceptable to the Client Agency prior to the Effective Date of the Contract evidencing that the State is an additional insured. The Contractor shall not begin performance until the delivery of these three (3) documents to the Client Agency. Contractor shall provide an annual electronic update of the three (3) documents to the Client Agency on or before each anniversary of the Effective Date during the Contract term. State shall be entitled to recover under the insurance policy even if a body of competent jurisdiction determines that State is contributorily negligent.
- (e) This section shall survive the Termination of the Contract and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) **Commercial General Liability.** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) **Automobile Liability.** \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) **Professional Liability.** \$1,000,000 limit of liability, if applicable; and/or
- (d) **Workers' Compensation and Employers Liability.** Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease -- Policy limit, \$100,000 each employee.

13. Sovereign Immunity. The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent

that this Section conflicts with any other Section, this Section shall govern.

14. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.
- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

15. Compliance with Law and Policy, Facility Standards and Licensing. Contractor shall comply with all:

- (a) Pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and
- (b) Applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

16. Representations and Warranties. Contractor shall:

- (a) Perform fully under the Contract;
- (b) Pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) Adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

17. Reports. The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.

18. Delinquent Reports. The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.

19. Protection of Confidential Information.

- (a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Confidential Information Breach any and all Confidential Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.
- (b) Each Contractor or Contractor Party shall develop, implement and maintain a comprehensive data -- security program for the protection of Confidential Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Confidential Information, and information of a similar character, as set forth in all applicable federal and state law and written policy of the Agency or State concerning the confidentiality of Confidential Information. Such data security program shall include, but not be limited to, the following:
 - (1) A security policy for employees related to the storage, access and transportation of data containing Confidential Information;
 - (2) Reasonable restrictions on access to records containing Confidential Information, including access to any locked storage where such records are kept;
 - (3) A process for reviewing policies and security measures at least annually;
 - (4) Creating secure access controls to Confidential Information, including but not limited to passwords; and
 - (5) Encrypting of Confidential Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) The Contractor and Contractor Parties shall notify the Agency and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Confidential Information which Contractor or Contractor Parties have come to possess or control has been subject to a Confidential Information Breach. If a Confidential Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Agency and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Confidential Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to C.G.S. § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Confidential Information Breach. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from the Agency, any State of Connecticut entity or any affected individuals.
- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Confidential Information in the same manner as provided for in this Section.
- (e) Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of Covered Entity.

20. Workforce Analysis. The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.

21. Litigation.

- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
- (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or mended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

D. Changes to the Contract, Termination, Cancellation and Expiration.

1. Contract Amendment.

- (a) Should the parties execute an amendment to this Contract on or before its expiration date that extends the term of this Contract, then the term of this Contract shall be extended until an amendment is approved as to form by the Connecticut Office of the Attorney General provided the extension provided hereunder shall not exceed a period of 90 days. Upon approval of the amendment by the Connecticut Office of the Attorney General the term of the contract shall be in accord with the provisions of the approved amendment.
- (b) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Office of the Connecticut Attorney General.
- (c) The Agency may amend this Contract to reduce the contracted amount of compensation if:
 - (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
 - (2) federal funding reduction results in reallocation of funds within the Agency.
- (d) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:
 - (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
 - (2) no later than ten (10) days from the effective date of any change in:
 - (A) its certificate of incorporation or other organizational document;
 - (B) more than a controlling interest in the ownership of the Contractor; or
 - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.
- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
 - (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
 - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) days from the date the Agency receives all requested documentation.

- (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract cancellation date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the cancellation date, no further action shall be required of any party to effect the cancellation as of the stated date. If the notice does not set forth an effective Contract cancellation date, then the non-breaching party may cancel the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
 - (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
 - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
 - (3) permanently discontinue part of the Services to be provided under the Contract;
 - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
 - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
 - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
 - (7) any combination of the above actions.
- (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) days after the Contractor receives a demand from the Agency.
- (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
- (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.

4. Non-enforcement Not to Constitute Waiver. No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.

5. Suspension. If the Agency determines in its sole discretion that the health and welfare of the Clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the Clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) days of immediate suspension. Within five (5) days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action

of the Agency head or designee. This action of the Agency head or designee shall be considered final.

6. Ending the Contractual Relationship.

- (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party or cancelled. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.
- (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.
- (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.14, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.
- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party or cancelled within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination or cancellation for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason, cancelled or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. Statutory and Regulatory Compliance.

- 1. Health Insurance Portability and Accountability Act of 1996.** Notwithstanding the language in Part II, Section E.1(c) of this Contract, the language below is not applicable if the Agency is not a Covered Entity for the purposes of the Health Insurance

Portability and Accountability Act of 1996 ("HIPAA"). However, if the Agency becomes a Covered Entity in the future and if the Contractor accordingly becomes a Business Associate, Contractor will comply with the terms of this Section upon written notice from the Agency that the Agency is a Covered Entity.

- (a) If the Contactor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as noted on the Signatures and Approval page of this Contract, the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract ("Agency") is a "covered entity" as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor is a "business associate" of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), (Pub. L. 111-5, §§ 13400 to 13423), and more specifically with the Privacy and Security Rules at 45 C.F.R. parts 160 and 164, subparts A, C, and E (collectively referred to herein as the "HIPAA Standards").
- (f) Definitions
 - (1) "Breach" shall have the same meaning as the term is defined in 45 C.F.R. § 164.402 and shall also include a use or disclosure of PHI that violates the HIPAA Standards. "Business Associate" shall mean the Contractor.
 - (2) "Covered Entity" shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
 - (3) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
 - (4) "Electronic Health Record" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(5)).
 - (5) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
 - (6) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
 - (7) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, and includes electronic PHI, as defined in 45 C.F.R. § 160.103, limited to information created, maintained, transmitted or received by the Business Associate from or on behalf of the Covered Entity or from another Business Associate of the Covered Entity.
 - (8) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
 - (9) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (10) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
 - (11) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
 - (12) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
 - (13) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
 - (14) "Unsecured protected health information" shall have the same meaning as the term as defined in 45 C.F.R. § 164.402.
- (g) Obligations and Activities of Business Associates.
 - (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
 - (2) Business Associate agrees to use and maintain appropriate safeguards and comply with applicable HIPAA Standards with respect to all PHI and to prevent use or disclosure of PHI other than as provided for in this Section of the Contract and in accordance with HIPAA Standards.

- (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
- (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
- (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
- (6) Business Associate agrees in accordance with 45 C.F.R. § 502(e)(1)(ii) and § 164.308(d)(2), if applicable, to ensure that any subcontractor that creates, receives, maintains or transmits PHI on behalf of the Business Associate agrees to the same restrictions, conditions and requirements that apply to the Business Associate with respect to such information.
- (7) Business Associate agrees to provide access (including inspection, obtaining a copy or both), at the request of the Covered Entity, and in the time and manner designated by the Covered Entity, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524. Business Associate shall not charge any fees greater than the lesser of the amount charged by the Covered Entity to an Individual for such records; the amount permitted by state law; or the Business Associate's actual cost of postage, labor and supplies for complying with the request.
- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner designated by the Covered Entity.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created, maintained, transmitted or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary investigating or determining Covered Entity's compliance with the HIPAA Standards.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner designated by the Covered Entity, information collected in accordance with subsection (g)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an Individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an Individual requests that the Business Associate
 - (A) restrict disclosures of PHI;
 - (B) provide an accounting of disclosures of the Individual's PHI;
 - (C) provide a copy of the Individual's PHI in an electronic health record; or

- (D) amend PHI in the Individual's designated record set the Business Associate agrees to notify the Covered Entity, in writing, within five (5) business days of the request.
- (15) Business Associate agrees that it shall not, and shall ensure that its subcontractors do not, directly or indirectly, receive any remuneration in exchange for PHI of an Individual without:
- (A) the written approval of the Covered Entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract; and
 - (B) the valid authorization of the Individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations.
- (16) Obligations in the Event of a Breach.
- (A) The Business Associate agrees that, following the discovery by the Business Associate or by a subcontractor of the Business Associate of any use or disclosure not provided for by this section of the Contract, any breach of unsecured PHI, or any Security Incident, it shall notify the Covered Entity of such breach in accordance with Subpart D of Part 164 of Title 45 of the Code of Federal Regulations and this Section of the Contract.
 - (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than thirty (30) days after the breach is discovered by the Business Associate, or a subcontractor of the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to 45 C.F.R. § 164.412. A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate or its subcontractor. The notification shall include the identification and last known address, phone number and email address of each Individual (or the next of kin of the Individual if the Individual is deceased) whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
 - (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
 - 1. A description of what happened, including the date of the breach; the date of the discovery of the breach; the unauthorized person, if known, who used the PHI or to whom it was disclosed; and whether the PHI was actually acquired or viewed.
 - 2. A description of the types of unsecured PHI that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
 - 3. The steps the Business Associate recommends that Individual(s) take to protect themselves from potential harm resulting from the breach.
 - 4. A detailed description of what the Business Associate is doing or has done to investigate the breach, to mitigate losses, and to protect against any further breaches.
 - 5. Whether a law enforcement official has advised the Business Associate, either verbally or in writing, that he or she has determined that notification or notice to Individuals or the posting required under 45 C.F.R. § 164.412 would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.
 - (D) If directed by the Covered Entity, the Business Associate agrees to conduct a risk assessment using at least the information in subparagraphs 1 to 4 inclusive, of (g)(16)(C) of this Section and determine whether, in its opinion, there is a low probability that the PHI has been compromised. Such recommendation shall be transmitted to the Covered Entity within twenty (20) business days of the Business Associate's notification to the Covered Entity.
 - (E) If the Covered Entity determines that there has been a breach, as defined in 45 C.F.R. § 164.402, by the Business Associate or a subcontractor of the Business Associate, if directed by the Covered Entity, shall provide all notifications required by 45 C.F.R. §§ 164.404 and 164.406.

- (F) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that Individuals informed of a breach have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.
 - (G) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.
- (h) Permitted Uses and Disclosure by Business Associate.
 - (1) General Use and Disclosure Provisions. Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the HIPAA Standards if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
 - (2) Specific Use and Disclosure Provisions.
 - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
 - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
 - (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (i) Obligations of Covered Entity.
 - (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
 - (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual(s) to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
 - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (j) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Standards if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (k) Term and Termination.
 - (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (g)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
 - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
 - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (3) Effect of Termination.
 - (A) Except as provided in (k)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (g)(10) of this Section of the Contract to the Covered Entity within ten (10) business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
 - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.
- (l) Miscellaneous Sections.
 - (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
 - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104 191.
 - (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
 - (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
 - (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
 - (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
 - (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder,

relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, and the HIPAA Standards.

2. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time ("ADA") to the extent applicable, during the term of the Contract. The Agency may cancel or terminate this Contract if the Contractor fails to comply with the ADA. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this ADA. As applicable, the Contractor shall comply with § 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
3. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this Contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.
5. **Non-discrimination.**
 - (a) For purposes of this Section, the following terms are defined as follows:
 - (1) "Commission" means the Commission on Human Rights and Opportunities;
 - (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
 - (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
 - (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
 - (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
 - (6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
 - (7) "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
 - (8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;
 - (9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of C.G.S. § 32-9n; and
 - (10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees. For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, unless

the contract is a municipal public works contract or quasi-public agency project contract, (2) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in C.G.S. § 1-267, (3) the federal government, (4) a foreign government, or (5) an agency of a subdivision, state or government described in the immediately preceding enumerated items (1), (2), (3), or (4).

- (b) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to ensure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved;
- (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action equal opportunity employer" in accordance with regulations adopted by the Commission;
- (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment;
- (4) the Contractor agrees to comply with each provision of this Section and C.G.S. §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to C.G.S. §§ 46a-56, 46a-68e, 46a-68f and 46a-86; and
- (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and C.G.S. § 46a-56. If the contract is a public works contract, municipal public works contract or contract for a quasi-public agency project, the Contractor agrees and warrants that he or she will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works or quasi-public agency projects.
- (c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and in every subcontract entered into in order to fulfill any obligation of a municipal public works contract for a quasi-public agency project, and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with C.G.S. § 46a-56, as amended; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission regarding a State contract, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.
- (f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.
- (g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;

(2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;

(3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to C.G.S. § 46a-56; and

(4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and C.G.S. § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with C.G.S. § 46a-56 as amended; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission regarding a State contract, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

6. Freedom of Information.

(a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 et seq. ("FOIA") which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).

(b) Governmental Function. In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a "person" performing a "governmental function", as those terms are defined in C.G.S. § 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor's performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.

7. Whistleblowing. This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a "large state contract" as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

8. Executive Orders. This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and made a part of the Contract as if they had been fully set forth in it. The Contract may also be subject to Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services and to Executive Order No. 49 of Governor Dannel P. Malloy, promulgated May 22, 2015, mandating disclosure of certain gifts to public employees and contributions to certain candidates for office. If Executive Order 14 and/or Executive Order 49 are applicable, they are deemed to be incorporated into and are made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Client Agency or the Connecticut Department of Administrative Services shall provide a copy of these orders to the Contractor.

9. Campaign Contribution Restriction. For all State contracts as defined in C.G.S. § 9-612 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice,

as set forth in "Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations" reprinted below.

SEEC FORM 10

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION
Rev. 07/18
Page 1 of 2



Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

Acknowledgement of Receipt of Explanation of Prohibitions for Incorporation in Contracting and Bidding Documents

This notice is provided under the authority of Connecticut General Statutes § 9-612 (f) (2) and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder, of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of state senator or state representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.



DEFINITIONS

“State contractor” means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. “State contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Prospective state contractor” means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. “Prospective state contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

“State contract” means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. “State contract” does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

“State contract solicitation” means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

“Managerial or discretionary responsibilities with respect to a state contract” means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

“Dependent child” means a child residing in an individual’s household who may legally be claimed as a dependent on the federal income tax return of such individual.

“Solicit” means (A) requesting that a contribution be made, (B) participating in any fundraising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee, serving on the committee that is hosting a fundraising event, introducing the candidate or making other public remarks at a fundraising event, being honored or otherwise recognized at a fundraising event, or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. “Solicit” does not include (i) making a contribution that is otherwise permitted under this chapter, (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office, (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this subdivision, or (v) mere attendance at a fundraiser.

“Subcontractor” means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor’s state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty-first of the year in which the subcontract terminates. “Subcontractor” does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Principal of a subcontractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

SIGNATURES AND APPROVALS
Contract # 19DSS1203JL
Amendment # 0

The Contractor Is a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Contractor

Beacon Health Options, Inc.

Contractor
DocuSigned by:

Daniel Risku

11/12/2019 | 3:23 PM EST

A4E61E3733E448E...
Signature

Date

Daniel Risku

Executive Vice President & General Counsel

Name and Title of Authorized Official

Connecticut Department of Social Services

DocuSigned by:

Deidre S. Gifford

11/15/2019 | 4:46 PM EST

2907C664C34E425...
Signature

Date

Deidre S. Gifford Commissioner

Name and Title of Authorized Official

Connecticut Attorney General *approved as to form:*

DocuSigned by:

Joseph Rubin

11/26/2019 | 3:10 PM EST

9B68A829F9A14DD...
Signature

Date

Assistant Deputy Attorney General

Name and Title of Authorized Official

EXHIBIT A
NOTICE OF AWARD

**Department of Health and Human Services
Centers for Medicare & Medicaid Services
Office of Acquisitions and Grants Management**

7500 Security Boulevard
Baltimore, MD 21244

NOTICE OF AWARD

AUTHORIZATION (Legislation/Regulations)
Section 1903 of the Social Security Act (42 U.S.C. 1396b) as amended
by section 1003 of the Substance Use Disorder Prevention that

1. DATE ISSUED MM/DD/YYYY 09/18/2019		1a. SUPERSEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded	
2. CFDA NO. 93.664 - Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act			
3. ASSISTANCE TYPE Cooperative Agreement			
4. GRANT NO. 2C2CMS331735-01-00 Formerly		5. TYPE OF AWARD Demonstration	
4a. FAIN 2C2CMS331735		5a. ACTION TYPE New	
6. PROJECT PERIOD MM/DD/YYYY From 09/30/2019		Through MM/DD/YYYY 03/29/2021	
7. BUDGET PERIOD MM/DD/YYYY From 09/30/2019		Through MM/DD/YYYY 03/29/2021	
8. TITLE OF PROJECT (OR PROGRAM) Connecticut Opioid and other Substance Use Disorder Treatment and Recovery Service Capacity and Infrastructure Planning			

9a. GRANTEE NAME AND ADDRESS Social Services, Connecticut Department of 55 Farmington Ave Fl 1 Department of Social Services Hartford, CT 06105-3730	9b. GRANTEE PROJECT DIRECTOR Ms. Erica Letisha Garcia-Young 55 Farmington Avenue Integrated Care Unit Hartford, CT 06105-3725 Phone: 860-424-5670
10a. GRANTEE AUTHORIZING OFFICIAL Ms. Kathleen Brennan 55 Farmington Ave Fl 1 Integrated Care Unit Hartford, CT 06105-3730	10b. FEDERAL PROJECT OFFICER Effie George 7500 Security Boulevard Baltimore, MD 21244 Phone: 410-786-8639

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)		12. AWARD COMPUTATION																	
I Financial Assistance from the Federal Awarding Agency Only		a. Amount of Federal Financial Assistance (from item 11m) 2,881,404.00																	
II Total project costs including grant funds and all other financial participation II		b. Less Unobligated Balance From Prior Budget Periods 0.00																	
a. Salaries and WageS	0.00	c. Less Cumulative Prior Award(s) This Budget Period 0.00																	
b. Fringe Benefits	0.00	d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION 2,881,404.00																	
c. Total Personnel Costs	0.00	13. Total Federal Funds Awarded to Date for Project Period 2,881,404.00																	
d. Equipment	0.00	14. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project):																	
e. Supplies	0.00	<table border="1"> <thead> <tr> <th>YEAR</th> <th>TOTAL DIRECT COSTS</th> <th>YEAR</th> <th>TOTAL DIRECT COSTS</th> </tr> </thead> <tbody> <tr> <td>a. 2</td> <td></td> <td>d. 5</td> <td></td> </tr> <tr> <td>b. 3</td> <td></td> <td>e. 6</td> <td></td> </tr> <tr> <td>c. 4</td> <td></td> <td>f. 7</td> <td></td> </tr> </tbody> </table>		YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS	a. 2		d. 5		b. 3		e. 6		c. 4		f. 7	
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS																
a. 2		d. 5																	
b. 3		e. 6																	
c. 4		f. 7																	
f. Travel	1,716.00	15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:																	
g. Construction	0.00	<table border="1"> <tr> <td>a. DEDUCTION</td> <td rowspan="5" style="text-align: center; vertical-align: middle;">b</td> </tr> <tr> <td>b. ADDITIONAL COSTS</td> </tr> <tr> <td>c. MATCHING</td> </tr> <tr> <td>d. OTHER RESEARCH (Add / Deduct Option)</td> </tr> <tr> <td>e. OTHER (See REMARKS)</td> </tr> </table>		a. DEDUCTION	b	b. ADDITIONAL COSTS	c. MATCHING	d. OTHER RESEARCH (Add / Deduct Option)	e. OTHER (See REMARKS)										
a. DEDUCTION	b																		
b. ADDITIONAL COSTS																			
c. MATCHING																			
d. OTHER RESEARCH (Add / Deduct Option)																			
e. OTHER (See REMARKS)																			
h. Other	0.00	16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDING AGENCY ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:																	
i. Contractual	2,879,688.00	<table border="1"> <tr> <td>a. The grant program legislation</td> </tr> <tr> <td>b. The grant program regulations.</td> </tr> <tr> <td>c. This award notice including terms and conditions, if any, noted below under REMARKS.</td> </tr> <tr> <td>d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.</td> </tr> </table>		a. The grant program legislation	b. The grant program regulations.	c. This award notice including terms and conditions, if any, noted below under REMARKS.	d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.												
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c. This award notice including terms and conditions, if any, noted below under REMARKS.																			
d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.																			
j. TOTAL DIRECT COSTS	2,881,404.00	In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.																	
k. INDIRECT COSTS	0.00																		
I. TOTAL APPROVED BUDGET																			
m. Federal Share	2,881,404.00																		
REMARKS See grant terms and Conditions Attached - See next page <input checked="" type="checkbox"/> Yes 0.00 <input type="checkbox"/> No																			

GRANTS MANAGEMENT OFFICIAL:

Louise Amburgey, Grants Management Officer
7500 Security Boulevard
Baltimore, MD 21244
Phone: 410-786-5287

17.OBJ CLASS 412K	18a. VENDOR CODE 1066000798E4	18b. EIN 061274678	19. DUNS 807854435	20. CONG. DIST. 01
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION
21. a. 9-5991459	b. 2C2331735A	c. 2C2	d. \$2,881,404.00	e. 75-X-0516
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.

NOTICE OF AWARD (Continuation Sheet)

PAGE 2 of 2

DATE ISSUED
09/18/2019

GRANT NO. 2C2CMS331735-01-00

REMARKS:

Awardee - Please review the Terms and Conditions attached to this award.

For assistance with this award for programmatic, scientific, and/or technical aspects, please refer to Box 10b of the Notice of Award - Federal Project Officer. For

Administrative, Budget, and Compliance questions, please direct inquiries to Frederick Filberg, Grants Management Specialist (GMS), via email at Frederick.Filberg@cms.hhs.gov.

Funds allocated for Beacon and Mercer are restricted and may not be expensed without prior written approval from the CMS GMS.

AWARD ATTACHMENTS

Social Services, Connecticut Department of

2C2CMS331735-01-00

1. Standard Terms and Conditions
2. 1003 Program Terms and Conditions

Centers for Medicare & Medicaid Services
Standard¹ Grant/Cooperative Agreement² Terms and Conditions

1. Recipient. The Recipient is the Grantee designated in the Notice of Award (NoA).
2. Acceptance of Application & Terms of Agreement. Initial drawdown of funds by the Recipient constitutes acceptance of this award.
3. Funding Opportunity Announcement (FOA). All relevant project requirements outlined in the FOA apply to this award and are incorporated into these terms and conditions by reference.
4. Uniform Administrative Requirements, Cost Principles, and Audit Requirements. This award is subject to 45 CFR Part 75 [available at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75&rgn=div5>], which implements 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) for the U.S. Department of Health & Human Services (HHS) operating divisions, effective December 26, 2014.
 - Uniform Administrative Requirements. All Recipients must comply with Subparts A-D of 45 CFR Part 75.
 - Cost Principles. Centers for Medicare and Medicaid Services (CMS) grant awards provide for reimbursement of actual, allowable costs incurred and are subject to the Federal cost principles. The cost principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or indirect, and set forth allowability and allocability principles for selected items of cost. Applicability of a particular set of cost principles depends on the type of organization. CMS recipients must comply with the cost principles set forth in HHS regulations at 45 CFR Part 75, Subpart E with the following exceptions: (1) hospitals must follow Appendix IX to part 75 and commercial (for-profit) organizations are subject to the cost principles located at 48 CFR subpart 31.2³.

¹ Standard Terms and Conditions include all possible grants administrative requirements for CMS awards. All standard terms and conditions apply unless the requirement is not applicable based on the project awarded. Recipients should contact their assigned Grants Management Specialist if they have questions about whether an administrative term and condition applies.

² A Cooperative Agreement is an alternative assistance instrument to be used in lieu of a grant whenever substantial Federal involvement with the recipient during performance is anticipated. The difference between grants and cooperative agreements is the degree of Federal programmatic involvement rather than the type of administrative requirements imposed. Therefore, statutes, regulations, policies, and the information contained in these standard terms and conditions that are applicable to grants also apply to cooperative agreements, unless otherwise stated.

³ There are no cost principles specifically applicable to grants to for-profit organizations. Therefore, the cost principles for commercial organizations set forth in the FAR (48 CFR subpart 31.2) generally are used to determine allowable costs under CMS grants to for-profit organizations. As provided in those costs principles, allowable travel costs may not exceed those established by the FTR (available on-line at <http://gsa.gov/portal/content/104790>). The cost principles in 45 CFR 75, Appendix IX, determine allowable costs under CMS grants to proprietary hospitals.

- Direct and Indirect Costs: There is no universal rule for classifying certain costs as either direct or indirect (also known as Facilities & Administration (F&A) costs) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or F&A cost in order to avoid double-charging of Federal awards. Guidelines for determining direct and F&A costs charged to Federal awards are provided in 45 CFR §§75.412 to 75.419. Requirements for development and submission of indirect (F &A) cost rate proposals and cost allocation plans are contained in Appendices III-VII and Appendix IX to Part 75.
 - Commercial (For-Profit) Organizations: Indirect Costs are allowable under awards to for-profit organizations. For-profit organizations must still obtain a negotiated indirect cost rate agreement which covers the grant supported activities and the applicable period of performance. For-profit entities which receive the preponderance of their federal awards from HHS may contact the Division of Financial Advisory Services (DFAS), Indirect Cost Branch, available at <http://oamp.od.nih.gov/dfas/indirect-cost-branch> to negotiate an indirect cost rate. Otherwise, for-profit organizations are limited to the 10% de minimis rate in accordance with 45 CFR §75.414(f).

- Cost Allocation: In accordance with 45 CFR §75.416 and
 - Appendix V to Part 75 – State/Local Governmentwide Central Service Cost Allocation Plans, each state/local government will submit a plan to the U.S. Department of Health & Human Services Cost Allocation Services for each year in which it claims central service costs under Federal awards. Guidelines and illustrations of central service cost allocation plans are provided in a brochure published by the U.S. Department of Health & Human Services entitled “A Guide for State, Local and Indian Tribal Governments: Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government.” A copy of this brochure may be obtained from the HHS' Cost Allocation Services at <https://rates.psc.gov>. A current, approved cost allocation plan must be provided to CMS if central service costs are claimed.
 - Appendix VI to Part 75 – Public Assistance Cost Allocation Plans, state public assistance agencies will develop, document and implement, and the Federal Government will review, negotiate, and approve, public assistance cost allocation plans in accordance with Subpart E of 45 CFR part 95. The plan will include all programs administered by the state public assistance agency. Where a letter of approval or disapproval is transmitted to a state public assistance agency in accordance with Subpart E, the letter will apply to all Federal agencies and programs. This Appendix (except for the requirement for certification) summarizes the provisions of Subpart E of 45 CFR part 95.

- Audit Requirements. The audit requirements in 45 CFR Part 75, Subpart F apply to each recipient fiscal year that begins on or after December 26, 2014. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with 45 CFR 75 and must submit an audit reporting package to the Federal Audit Clearinghouse (FAC), the OMB designated repository of record. In accordance with 45 CFR 75.513(c)(1), HHS grant awarding agencies are required to ensure that single or program-specific audits are completed and reported by recipients within nine months after the end of the audit period (recipient fiscal year end date). Recipients must comply with the following:
 - i. Within 30 days of the award issue date on the Notice of Award, Recipient must submit a Grant Note labeled "Recipient Fiscal Year" to GrantSolutions which documents the fiscal year start and end date for the non-Federal entity;
 - ii. Within 3 business days of submission of the audit reporting package to FAC, provide certification (to include evidence of submission) to the CMS Grants Management Specialist (GMS);

OR

Within 90 days following the non-Federal entity's fiscal year end date, recipients must certify in writing to the CMS GMS that their entity did not expend more than \$750,000 during their fiscal year. Records must still be available for review or audit by appropriate officials of CMS, pass-through entity, and Government Accountability Office (GAO).

- iii. Certifications must be uploaded to GrantSolutions as a Grant Note labeled "Audit Certification."

For questions and information concerning the submission process, please contact the Federal Audit Clearinghouse (entity which assists Federal cognizant and oversight agencies in obtaining audit data and reporting packages) at 888-222-9907 or <https://harvester.census.gov/facweb/Default.aspx>.

As explained under 45 §75.501(h), For-profit subrecipient, since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also §75.352 Requirements for pass-through entities.

Commercial Organizations (including for-profit hospitals) have two options regarding audits, as outlined in 45 CFR §75.501 (see also 45 CFR §75.216).

- Special Provisions for Awards to Commercial (For-Profit) Organizations as Recipients. Commercial (For-Profit) Organizations should refer to 45 CFR §75.216 Special Provisions for Awards to Commercial Organizations as Recipients, for limitations on profit and program income and available options regarding audits.
5. The HHS Grants Policy Statement (HHS GPS). This award is subject to the requirements of the HHS GPS that are applicable to the Recipient based on the Recipient type and the purpose of this award [available at <http://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>]. The general terms and conditions in the HHS GPS will apply as indicated unless there are statutory, regulatory, or award-specific requirements to the contrary. Although the HHS GPS is meant to be consistent with applicable statutory or regulatory requirements, the current 2007 version has not been updated to parallel the new HHS regulations. The HHS regulation, 45 CFR Part 75, effective December 26, 2014, therefore supersedes information on administrative requirements, cost principles, and audit requirements for grants and cooperative agreement included in the current HHS Grants Policy Statement where differences are identified.
 6. Prior Approval Requirements. Recipients must consult and comply with prior approval requirements outlined under 45 CFR §75.407, Prior written approval (prior approval).
 7. Revision of Budget and Program Plans. Recipients must consult and comply with requirements outlined under 45 CFR §75.308, Revision of budget and program plans. Please note that CMS is not waiving any prior approval requirements outlined in this section. Additionally, in accordance with §75.308(e), CMS requires prior approval where the transfer of funds among direct cost categories or programs, functions and activities in which the Federal share of the project exceeds the Simplified Acquisition Threshold (\$150,000) and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved. CMS cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.
 8. Rearrangement, Alteration, Reconversion, and Capital Expenditures. Recipient may not incur direct costs for rearrangement, alteration, reconversion, or capital expenditures without prior written approval by CMS (refer to 45 CFR §§75.439 and 75.462).
 - Capital expenditures means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (refer to 45 CFR §75.2, Definitions).
 - Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with Generally Accepted Accounting Principles (GAAP). Capital assets include:
 - (1) Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
 - (2) Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially

increase their value or useful life (not ordinary repairs and maintenance). (refer to 45 CFR §75.2, Definitions)

- Maintenance and Repair Costs: Costs incurred for utilities, insurance, security, necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment (including Federal property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable. Costs incurred for improvements which add to the permanent value of the buildings and equipment or appreciably prolong their intended life must be treated as capital expenditures. These costs are only allowable to the extent not paid through rental or other agreements (refer to 45 CFR §75.452).

9. Conference and Travel Costs. For attendance at any conference⁴, including those sponsored by CMS, recipients must submit a detailed breakdown of costs associated with attending the conference for prior written approval. All costs must be individually itemized. This breakdown should include all costs associated with travel to the conference and a brief narrative explaining the program related purpose/how attending the conference will further the objectives of the program. As noted in 45 CFR §75.432, Conferences, allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments⁵, local transportation, and other items incidental to such conferences. Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award. All federally funded travel must be tracked through a travel log which includes: traveler/position, destination, length of stay, mileage, per diem, reason for the trip, airfare, and any other reimbursable expenses. Recipients must also consult and comply with requirements outlined under 45 CFR §75.474, Travel Costs.

10. Technology Costs. As defined in 45 CFR §75.2, Definitions, equipment means tangible personal property (including information technology systems), having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. Supplies means all tangible personal property other than those described in Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also the definitions in 45 CFR §75.2 of Capital assets, Computing devices, General purpose equipment, Information technology systems, and Special purpose equipment. All technology items, regardless of classification as equipment or supply must still be individually tagged and recorded in an

⁴ OMB Memorandum M-12-12 employs, and HHS has adopted the following definition for a conference from the Federal Travel Regulation (FTR): A "conference" is defined as "[a] meeting, retreat, seminar, symposium or event that involves attendee travel. The term 'conference' also applies to training activities that are considered to be conferences under 5 CFR 410.404."

⁵ Per page II-36 of the HHS Grants Policy Statement, meals are generally unallowable except for the following:

- Subjects and patients under study;
- Where specifically approved as part of the project or program activity (not grantee specific), e.g., in programs providing children's services; and
- As part of a per diem or subsistence allowance provided in conjunction with allowable travel.

Guest meals are not allowable (see also II-36 of HHS GPS).

equipment/technology database. This database should include any information necessary to properly identify and locate the item. For example: serial # and physical location of equipment (e.g. laptops, tablets, etc.). In addition, purchase of Technology items (both those classified as equipment and those classified as supplies), over and above that which is already approved in the budget must be approved by the Grants Management Specialist (regardless of acquisition cost).

11. Prohibited Uses of Grant or Cooperative Agreement Funds. The following list contains costs that are prohibited for all CMS programs. Recipient should consult the Program Terms and Conditions for other prohibited costs specific to the grant or cooperative agreement program.
- To match any other Federal funds.
 - To provide services, equipment, or supports that are the legal responsibility of another party under Federal, State, or Tribal law (e.g., vocational rehabilitation or education services) or under any civil rights laws. Such legal responsibilities include, but are not limited to, modifications of a workplace or other reasonable accommodations that are a specific obligation of the employer or other party.
 - To provide goods or services not allocable to the approved project.
 - To supplant existing State, local, tribal, or private funding of infrastructure or services, such as staff salaries, etc.
 - To be used by local entities to satisfy State matching requirements.
 - To pay for construction.
 - To pay for capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life as a direct cost except with the prior written approval of the Federal awarding agency.
 - In accordance with 45 CFR §75.476, the cost of independent research and development, including their proportionate share of indirect costs, are unallowable.
 - In accordance with 45 CFR §75.216(b), except for grants awarded under the Small Business Innovative Research (SBIR) and Small Business Technology Transfer Research (STTR) programs (15 U.S.C. 638), no HHS funds may be paid as profit to any recipient even if the recipient is a commercial (for-profit) organization. Profit is any amount in excess of allowable direct and indirect costs.

12. Reporting Requirements. Recipients must comply with the frequency and content requirements outlined in the Program Terms and Conditions of award. Failure to submit programmatic and financial reports on time may be basis for withholding financial assistance payments, suspension, termination or denial of continued funding. Recipient's failure to timely submit such reports may result in a designation of "high risk" for the recipient organization and may jeopardize potential future funding from the U.S. Department of Health & Human Services. The general information and guidance for financial and programmatic reporting provided below supplements the specifics included in the Program Terms and Conditions.

Prior to closeout of the grant, Recipients must submit a tangible personal property report. Specific information is provided below and will be reiterated in the pre-closeout letter sent to all Recipients.

FINANCIAL REPORTING

Quarterly Financial Reporting

Recipient must report, on a quarterly basis, cash transaction data via the Payment Management System (PMS) using the Federal Financial Report (SF-425 or FFR) form. The FFR combines the information that grant recipients previously provided using two forms: the Federal Cash Transactions Report (PSC-272) and the Financial Status Report (SF-269). Cash transactions data is reflected through completion of lines 10a-10c on the FFR. Recipient must include information on indirect costs if approved as part of grant award. The quarterly FFR is due within (30) days after the end of each quarter. Reporting deadlines are outlined below.

<u>For disbursement activity during the months of:</u>	<u>The FFR is due on:</u>
October 1 through December 31 (1 st Quarter)	January 30
January 1 through March 31 (2 nd Quarter)	April 30
April 1 through June 30 (3 rd Quarter)	July 30
July 1 through September 30 (4 th Quarter)	October 30

Instructions on how to complete the FFR can be found at: https://pms.psc.gov/resources_and_training/ffrtraining.html

Semi-Annual, Annual, and Final Expenditure Reporting

Recipient must also report on Federal expenditures, Recipient Share (if applicable), and Program Income (if applicable and/or allowable) at least annually. Frequency of expenditure reporting, whether semi-annually or annually, is stipulated in the Program Terms and Conditions of award. This information is reflected through completion of lines 10.d through 10.o of the FFR. Recipient must complete an online FFR form via the GrantSolutions.gov FFR module (not the Payment Management System as is used for quarterly FFRs) to comply with expenditure reporting requirements.⁶ As appropriate, all parts of the form (lines 1-9 and 10.d-13) must be completed except for lines 10.a-10.c. Recipient must include information on indirect costs if approved as part of grant award. GrantSolutions can be accessed via the following link <https://.grantsolutions.gov>.

The final FFR must show cumulative expenditures under the award and any unobligated balance of federal funds and as appropriate, all other parts of the form must be completed except for line items 10.a through 10.c. Final, federal cash information (lines 10.a through 10.c) will be reported to the Payment Management System based upon the quarterly schedule established for submission of these reports (see Quarterly Financial Reporting section within this term and condition). The final expenditure report cannot show any unliquidated obligations.

Semi-annual expenditure reports are due no later than 30 days following the applicable six-month period. Annual FFRs are due no later than 90 days following the applicable budget period end date or 12-month period for multi-year budget periods and final FFRs are due no later than 90 days following the project period end date.

⁶ The use of the dual systems is not applicable for those entities engaged in a pilot program with PMS.

Per 45 CFR §75.309(b), a non-Federal entity must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the final FFR. This deadline may be extended with prior written approval from the CMS Grants Management Specialist.

PROGRAMMATIC REPORTING

In accordance with 45 CFR §75.301, Performance Measurement, Recipients must relate financial data to performance accomplishments of the Federal award and provide cost information to demonstrate cost effective practices (e.g., through unit cost data). Performance will be measured in a way that will help CMS and other non-Federal entities to improve program outcomes, share lessons learned, and spread the adoption of promising practices.

TANGIBLE PERSONAL PROPERTY REPORTING

The Tangible Personal Property Report (SF-428) is a standard form to be used by awarding agencies to collect information related to tangible personal property when required by a Federal financial assistance award. This form allows recipients to request specific disposition of federally-owned property and acquired equipment. This form also provides a means for calculating and transmitting appropriate compensation to CMS for residual unused supplies. The form consists of the cover sheet (SF-428) and three attachments to be used as required: Annual Report, SF-428-A; Final (Award Closeout) Report, SF-428-B; and a Disposition Request/Report, SF-428-C. A Supplemental Sheet, SF-428-S, may be used to provide detailed individual item information.

Recipients are required to complete the SF-428-B and SF-428-S at the time of award closeout. The report covers federally owned property, acquired equipment with an acquisition cost of \$5,000 or more, and residual unused supplies with a total aggregate fair market value exceeding \$5,000 not needed for any other federally sponsored programs or projects.

PATENTS AND INVENTIONS

In accordance with 45 CFR §75.322(c), all Recipients are subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR part 401. If applicable, Recipients must report any inventions on an annual basis using the non-competing continuation application. A Final Invention Statement and Certification (Form HHS 568) must be completed and submitted within 90 days following the expiration or termination of a grant or cooperative agreement. The Statement must include all inventions which were conceived or first actually reduced to practice during the course of work under the grant or award, from the original effective date of support through the date of completion or termination. The Statement shall include any inventions reported previously for grants and cooperative agreements as part of a non-competing continuation application. Recipients must also provide details about all inventions that have been licensed but not patented, and include details on income resulting from HHS-funded inventions and patents. Unpatented research products or resources—research tools—may be made available through licensing to vendors or other investigators. Income earned from any resulting fees must be treated as program income. This reporting requirement is

applicable to grants and cooperative agreements issued by the U.S. Department of Health & Human Services in support of research and research-related activities. For further guidance, please see the HHS Grants Policy Statement: Patents and Inventions and Inventions Reporting.

13. **Payment.** The Division of Payment Management (DPM) does not award grants. The issuance of grant awards and other financial assistance is the responsibility of the awarding agencies. Once an award is made, the funds are posted in recipient accounts established in the Payment Management System (PMS). Recipients may then access their funds by using the PMS funds request process.

The PMS funds request process enables Recipients to request funds using a Personal Computer with an Internet connection. The funds are then delivered to the recipient via Electronic Funds Transfer (EFT). If you are a new grant recipient, please go to https://pms.psc.gov/grant_recipients/pmsaccessproc.html to find information to register in PMS. If you need further help with that process, please contact the One-DHHS Help Desk via email at pmssupport@psc.gov or call (877) 614-5533 for assistance.

14. **Continuation of Funding.** The recipient must submit a non-competing continuation application each year as a prerequisite to continued funding if a project period is comprised of multiple budget periods. The initial NoA identifies the project period, which may include multiple 12-month budget periods. Continued funding is contingent on adequate progress, compliance with the terms and conditions of the previous budget period, and the availability of funds. Non-competing application instructions will be provided by the Grants Management Specialist to recipients prior to applicable budget period end dates.

15. **Funding for Recipients.** All funding provided under this award shall be used by the Recipient exclusively for the program referenced in the Notice of Award and described in the funding opportunity announcement and delineated in the Recipient's approved proposal. This includes any approved revisions, as applicable, made subsequent to the Recipient's approved proposal. Per 45 CFR §75.309(a), a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance (except as described in 45 CFR §75.461) and any costs incurred before the HHS awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity. Funds available to pay allowable costs during the period of performance include both Federal funds awarded and carryover balances. Any funds used for any purpose other than for the approved program, including disallowed costs, should be returned to the United States Treasury. Instructions for returning funds including interest earned in excess of \$500 are available at https://pms.psc.gov/grant_recipients/returningfunds.html.

16. **Public Reporting.** When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing the project funded in whole or in part with Federal money, all Recipients receiving Federal funds, including but not limited to State, local, tribal governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) the percentage and dollar amount of the total costs of the project or program that is financed by nongovernmental sources.

17. System of Award Management and Universal Identifier Requirements. This award is subject to the requirements of 2 CFR part 25, Appendix A which is specifically incorporated herein by reference. For the full text of 2 CFR part 25, refer to Attachment A to these Standard Terms and Conditions. To satisfy these requirements, Recipient must maintain an active registration in the System for Award Management (SAM) database. Please consult the SAM website (<https://w.am.gov/>) for more information.
18. Trafficking in Persons. This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104). For the full text of the award term, refer to Attachment B to these Standard Terms and Conditions.
19. Subaward Reporting and Executive Compensation. This award is subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by Section 6202 of Public Law 110-252 and implemented by 2 CFR Part 170. Recipients must report information for each first-tier subaward of \$25,000 or more in Federal funds and executive total compensation for the Recipient's and Subrecipients' five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170. Information about the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) is available at www.fsrs.gov. For the full text of the award term, refer to Attachment C to these Standard Terms and Conditions. For further assistance, please contact Iris Grady, the Grants Management Specialist assigned to monitor the subaward reports and executive compensation at divisionofgrantsmanagement@cms.hhs.gov.
20. Employee Whistleblower Protections. All Recipients must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712 in the predominant native language of the workforce. For the full text of the award term, re Pilot Program for Enhancement of Contractor Employee Whistleblower Protections, refer to Attachment D to these Standard Terms and Conditions.
21. Conflict of Interest Policies. In accordance with 45 CFR §75.112, these terms and conditions establish the conflict of interest policy requirements for recipients receiving federal discretionary grant funding from CMS. Recipient must comply with the conflict of interest policy requirements outlined in Attachment E to these Standard Terms and Conditions.
22. Recipient Integrity and Performance. In accordance with Appendix XII to 45 CFR part 75, Recipient must comply with reporting requirements for matters related to recipient integrity and performance. For the full text of the award term, refer to Attachment F to these terms and conditions.
23. Accessibility Provisions Section 504. Recipients of federal financial assistance (FFA) from Health and Human Services (HHS) must administer their programs in compliance with federal civil rights laws. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age and, in some circumstances, sex and religion. It is HHS' duty to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations.

HHS provides guidance to recipients of FFA on meeting their legal obligation to take reasonable steps to provide meaningful access to their programs by persons with limited

English proficiency. In addition, recipients of FFA have specific legal obligations for serving qualified individuals with disabilities by providing information in alternate formats.

Several sources of guidance are provided below:

<http://www.hhs.gov/civil-rights/for-individuals/index.html>

<http://www.hhs.gov/regulations/index.html>

<https://minorityhealth.hhs.gov/>

<http://www.hhs.gov/civil-rights/for-individuals/section-1557/index.html>

<http://www.hhs.gov/civil-rights/for-individuals/disability/index.html>

Recipient should review and comply with the Accessibility Requirements outlined in Attachment G, to these terms and conditions.

Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under federal civil rights laws at <https://.hhs.gov/ocr/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697.

24. **Fraud, Waste, and Abuse.** The HHS Office of the Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Information also may be submitted by email to hhtips@oig.hhs.gov or by mail to Office of the Inspector General, U.S. Department of Health & Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous.
25. **Human Subjects Protection.** If applicable to Recipient's program, the Recipient bears ultimate responsibility for protecting human subjects under the award, including human subjects at all sites, and for ensuring that a Federal-wide Assurance (FWA) approved by the Office for Human Research Protections (OHRP) and certification of Institutional Review Board (IRB) review and approval have been obtained before human subjects research can be conducted at each collaborating site. For more information about OHRP, FWA, and IRBs, please see the following link: <http://www.hhs.gov/ohrp/index.html>. Recipients may not draw funds from the payment system, request funds from the paying office, or make obligations against Federal funds for research involving human subjects at any site engaged in nonexempt research for any period not covered by both an OHRP-approved assurance and IRB approval consistent with 45 CFR Part 46. Costs associated with IRB review of human research protocols are not allowable as direct charges under grants and cooperative agreements unless such costs are not covered by the organization's indirect cost rate.

HHS requires Recipients and others involved in grant/cooperative agreement-supported research to take appropriate actions to protect the confidentiality of information about and the privacy of individuals participating in the research. Investigators, IRBs, and other appropriate entities must ensure that policies and procedures are in place to protect identifying information and must oversee compliance with those policies and procedures.
26. **Project and Data Integrity.** Recipient shall protect the confidentiality of all project-related information that includes personally identifying information.

The Recipient shall assume responsibility for the accuracy and completeness of the information contained in all technical documents and reports submitted. The CMS Project Officer shall not direct the interpretation of the data used in preparing these documents or reports.

At any phase in the project, including the project's conclusion, the Recipient, if so requested by the CMS Project Officer, must deliver to CMS materials, systems, or other items used, developed, refined or enhanced in the course of or under the award. The Recipient agrees that CMS shall have a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use the items for Federal government purposes.

27. Use of Data and Work Products. At any phase of the project, including the project's conclusion, the Recipient, if so requested by the CMS Project Officer, shall submit copies of analytic data file(s) with appropriate documentation, representing the data developed/used in end-product analyses generated under the award. The analytic file(s) may include primary data collected, acquired or generated under the award and/or data furnished by CMS. The content, format, documentation, and schedule for production of the data file(s) will be agreed upon by the Principal Investigator/Project Director and the CMS Project Officer. The negotiated format(s) could include both file(s) that would be limited to CMS's internal use and file(s) that CMS could make available to the general public.

All data provided by CMS will be used for the research described in this grant award only and in connection with the Recipient's performance of its obligations and rights under this program. Recipient has an obligation to collect and secure data for future monitoring by CMS. The Recipient will return any data provided by CMS or copies of data at the conclusion of the project. All proprietary information and technology of the Recipient are and shall remain the sole property of the Recipient.

All publications, press announcements, posters, oral presentations at meetings, seminars, and any other information-dissemination format, including but not limited to electronic/digital media that is related to this project must include a formal acknowledgement of support from the U.S. Department of Health & Human Services, citing the Funding Opportunity Number as identified on the Funding Opportunity Announcement (FOA) as follows: "The project described was supported by Funding Opportunity Number CMS-XXX-XX-XXX [insert number from FOA] from the U.S. Department of Health & Human Services, Centers for Medicare & Medicaid Services." Recipient also must include a disclaimer stating that "The contents provided are solely the responsibility of the authors and do not necessarily represent the official views of HHS or any of its agencies." One copy of each publication, regardless of format, resulting from work performed under an HHS project must accompany the annual or final progress report submitted to CMS.

During the project period and for six (6) months after completion of the project, the Recipient shall provide sixty (60) days prior notice to the CMS Project Officer of any formal presentation of any report or statistical or analytical material based on information obtained through this award. Formal presentation includes papers, articles, professional publication, speeches, and testimony. In the course of this research, whenever the Principal Investigator/Project Director determines that a significant new finding has been developed, he/she will communicate it to the CMS Project Officer before formal dissemination to the general public. The Recipient shall notify CMS of research conducted for publication.

28. **Public Policy Requirements.** By signing the application, the Authorized Organizational Official (AOR) certifies that the organization will comply with applicable public policies. Once a grant is awarded, the recipient is responsible for establishing and maintaining the necessary processes to monitor its compliance and that of its employees and, as appropriate, subrecipients and contractors under the grant with these requirements. Recipient should consult these terms and conditions, the applicable Appropriations Law, and Exhibit 3 of the HHS Grants Policy Statement, titled Public Policy Requirements, located in Section II, pages 3-6, for information on potentially applicable public policy requirements. Additional potentially applicable public policy requirements not included within these sources include:
- Military Recruiting and Reserve Officer Training Corps Access 10 U.S.C. §983 [all types of applications and awards to Institutions of Higher Education]
 - Text Messaging While Driving (EO 13513) [all awards]
 - Ban on Cloning of Human Beings (Presidential memorandum of March 4, 1997) [all awards]
29. **Implementation of United States v. Windsor and Interpretation of Familial Relationship Terminology.** In any grant-related activity in which family, marital, or household considerations are, by statute or regulation, relevant for purposes of determining beneficiary eligibility or participation, grantees must treat same-sex spouses, marriages, and households on the same terms as opposite-sex spouses, marriages, and households, respectively. By “same-sex spouses,” HHS means individuals of the same sex who have entered into marriages that are valid in the jurisdiction where performed, including any of the 50 states, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By “same-sex marriages,” HHS means marriages between two individuals validly entered into in the jurisdiction where performed, including any of the 50 states, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By “marriage,” HHS does not mean registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage.
30. **Green Procurement.** To mitigate the environmental impacts of acquisition of IT and other products/equipment, Recipients are encouraged to: (1) participate in “Green procurement” based on the HHS Affirmative Procurement Plan (http://www.responsiblepurchasing.org/UserFiles/File/HHS_Affirmative%20Procurement%20Plan_2006.pdf) and similar guidance from the Environmental Protection Agency (EPA) and the President’s Council on Environmental Quality (CEQ); (2) use electronic products that are Energy Star® compliant and Electronic Product Environmental Assessment Tool (EPEAT) Silver registered or higher when available; (3) activate Energy Star® features on all equipment when available; (4) use environmentally sound end-of-life management practices, including reuse, donation, sale and recycling of all electronic products.
31. **Withdrawal.** If the Recipient decides to withdraw from this award prior to the end of the project period, it must provide written notification (both hard copy and via email) to the CMS Grants Management Specialist at least fifteen (15) days in advance of the date of official withdrawal and termination of these terms. The letter must be signed by the AOR and other appropriate individuals with authority. CMS will not be liable for any withdrawal close-out

costs that are borne by the Recipient. Recipients have three (3) days to return all unused grant funds.

32. **Mandatory Disclosures.** Consistent with 45 CFR §75.113, applicants and recipients must disclose in a timely manner, in writing to CMS, with a copy to the HHS Office of the Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Additionally, subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to CMS and to the HHS OIG at the following addresses:

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
Office of Acquisition and Grants Management
Attn: Director, Division of Grants Management, Mandatory Grant Disclosures
7500 Security Blvd, Mail Stop B3-30-03
Baltimore, MD 21244-1850

Materials should also be scanned and emailed to your Grants Management Specialist.

AND

U.S. Department of Health & Human Services
Office of Inspector General
ATTN: Mandatory Grant Disclosures, Intake Coordinator
330 Independence Avenue, SW, Cohen Building
Room 5527
Washington, DC 20201

Fax: (202) 205-0604 (Include “Mandatory Grant Disclosures” in subject line) or
Email: MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR §75.371, Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

33. **Remedies for noncompliance.** If a non-Federal entity fails to comply with Federal statutes, regulations, or the terms and conditions of a Federal award, the HHS awarding agency or pass-through entity may impose additional conditions, as described in 45 CFR §75.207, Specific award conditions. If the HHS awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more actions as set forth in 45 CFR §75.371, Remedies for noncompliance.
34. **Suspension and Debarment Regulations.** Recipient must comply with 45 CFR §75.213, which states that non-federal entities and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689 at 2 CFR parts 180 and 376. These regulations restrict awards, subawards and contracts with

certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

35. **Termination.** CMS may terminate this grant agreement, or any part hereof, if the Recipient materially fails to comply with the terms and conditions of this award, or provisions of law pertaining to agreement performance. Materially fails includes, but is not limited to, violation of the terms and conditions of the award; failure to perform award activities in a satisfactory manner; improper management or use of award funds; or fraud, waste, abuse, mismanagement, or criminal activity. In addition, CMS may terminate this award if the Recipient fails to provide the Government, upon request, with adequate written and signed assurances of future performance. CMS will promptly notify the Recipient in writing of such termination and the reasons for it, together with the effective date. Recipient may terminate this award as set forth in 45 CFR §75.372, Termination.
36. **Bankruptcy.** In the event the Recipient or one of its subrecipients enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Recipient agrees to provide written notice of the bankruptcy to the CMS Grants Management Specialist and CMS Project Officer (PO). This written notice shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing and sent to the CMS Grants Management Specialist and PO. This notice shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, a copy of any and all of the legal pleadings, and a listing of Government grant and cooperative agreement numbers and grant offices for all Government grants and cooperative agreements against which final payment has not been made.
37. **Disposition of Federally Owned Property, Equipment, and Residual Unused Supplies.** Upon completion (or early termination) of a project, Recipient must take appropriate disposition actions. Recipients of funding from CMS should proceed in accordance with the guidance provided within this term and condition.

Recipient must complete and submit the SF-428-B Tangible Personal Property Report, Final Report (also see Standard Term and Condition #12, Reporting Requirements). The Tangible Personal Property Report (SF-428) is a standard form to be used by awarding agencies to collect information related to tangible personal property when required by a Federal financial assistance award. This form allows recipients to request specific disposition of federally-owned property and acquired equipment. This form also provides a means for calculating and transmitting appropriate compensation to CMS for residual unused supplies. As noted in 1.b of this report, if your agency is in possession of Federally-owned property or acquired equipment (defined as nonexpendable personal property with an acquisition cost of \$5,000 or more under the award), you must also submit a SF-428-S, Supplemental Sheet, that lists and reports on all Federally-owned or acquired equipment under the specific grant or cooperative agreement award. If there is no tangible personal property to report, select “d.” in section 1 of the SF-428-B and indicate “none of the above.” Recipient must request specific disposition instructions from CMS if the Recipient has federally-owned property or if the following guidance is insufficient for the Recipient to properly complete disposition.

- Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to CMS.
- Except as provided in 45 CFR §75.319(b), items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained by the non-Federal entity or sold. If there is no longer a use for the equipment under the original project or program or for other activities currently or previously supported by CMS or other HHS awarding agencies, except as otherwise provided in Federal statutes and regulations, CMS is entitled to an amount calculated by multiplying the current market value or proceeds from sale by CMS's percentage of participation in the cost of the original purchase. If the equipment is sold, CMS may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
- Reportable Residual Unused Supplies, which in the aggregate exceed \$5,000 in fair market value which cannot be used by the original project or program nor are needed for other activities currently or previously supported by CMS, other HHS awarding agencies, or another Federal agency, must be retained by the Recipient for use on other activities or sold, but Recipient must, in either case, compensate the Federal government for its share. CMS is entitled to an amount calculated by multiplying the current fair market value or proceeds from sale by CMS's percentage of participation in the cost of the original purchase.
- In certain instances, the non-Federal entity may transfer title to the property to the Federal government or to an eligible third party subject to prior approval by CMS. In such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

38. **Affirmative Duty to Track All Parties to the Award.** Recipient must at a minimum regularly track all parties to the award in both the GSA database that is known as the System for Award Management (SAM) and The Office of the Inspector General (OIG) List of Excluded Individuals and Entities (LEIE). The purpose of this affirmative duty is to track all parties that include health care, commercial, non-profit, and other people and entities in order to report immediately to the CMS Project Officer (PO) and Grants Management Specialist those that cannot participate in federal programs or receive federal funds. The Recipient cannot have any persons or entities on the award that cannot participate in federal programs or receive federal funds. If any of these systems are not publicly available, then the Recipient must comply with the purpose and intent of this requirement using a process that meets at least the level of scrutiny provided by these databases.

The Recipient shall provide the CMS PO and Grants Management Specialist with the National Provider Identifier (NPI), Tax ID, and EIN, as applicable, of all Key Personnel and/or Entities to the award that may include Subrecipients. This list shall be provided to CMS within thirty (30) days from the start of the award and must be maintained up-to-date in real time throughout the award.

39. **Pass Through Entities, Subrecipients, and Contractors.** As outlined in 45 CFR §75.351, Subrecipient and contractor determinations, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or contractor. A pass-

through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program (45 CFR §75.2, Definitions). As described in 45 CFR §75.351, a subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient while a contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. Characteristics for both types of relationships are included in 45 CFR §75.351. All pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information outlined in 45 CFR §75.352, Requirements for pass-through entities, at the time of subaward and if any of these data elements change, include the changes in subsequent subaward modifications.

40. **Subrecipient Equal Treatment.** The Recipient must comply with 45 CFR Part 87, including the provision that no State or local government Recipient nor any intermediate organization receiving funds under any program shall, in the selection of service providers, discriminate for or against an organization's religious character or affiliation.
41. **Recipient's Responsibility for Subrecipients.** The Recipient is responsible for the performance, reporting, and spending for each Subrecipient. The Recipient will ensure the timeliness and accuracy of required reporting for each site of service and Subrecipient under the award. The Recipient is responsible for the performance and progress of each site of service or Subrecipient toward the goals and milestones of the program. The Recipient will take necessary corrective action for any site of service or Subrecipient that is not meeting the goals and milestones of the program, as set forth in the FOA.
42. **Nondiscrimination.** The Recipient and Subrecipients will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
43. **Reservation of Rights.** Nothing contained in this Agreement is intended or shall be construed as a waiver by the United States Department of Justice, the Internal Revenue Service, the Federal Trade Commission, HHS Office of the Inspector General, or CMS of any right to institute any proceeding or action against Recipient for violations of any statutes, rules or regulations administered by the Government, or to prevent or limit the rights of the Government to obtain relief under any other federal statutes or regulations, or on account of

any violation of this Agreement or any other provision of law. The Agreement shall not be construed to bind any Government agency except CMS, and this Agreement binds CMS only to the extent provided herein, unless prohibited by law. The failure by CMS to require performance of any provision shall not affect CMS's right to require performance at any time thereafter, nor shall a waiver of any breach or default result in a waiver of the provision itself.

44. FY 2016 Appropriations Provision. U.S. Department of Health & Human Services (HHS) recipients must comply with all terms and conditions outlined in their grant award(s), including grant policy terms and conditions contained in applicable HHS Grants Policy Statements, and requirements imposed by program statutes and regulations, Executive Orders, and HHS grant administration regulations, as applicable; as well as any requirements or limitations in any applicable appropriations acts.

This award is subject to the "Consolidated Appropriations Act, 2016," Public Law 114-113, signed on December 18, 2015. As is noted under Division H, Title II, General Provisions, Section 202, none of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II. This salary cap applies to direct salaries and to those salaries covered under indirect costs, also known as facilities and administrative (F & A) costs⁷.

⁷ Per the HHS Grants Policy Statement, page II-39 (Salaries and Wages), "If there is a salary limitation, it does not apply to consultant payments or to contracts for routine goods and services, but it does apply to subrecipients (including consortium participants)." Though the salary limitation does not apply to consultant costs, recipient must still provide justification to include examples of typical market rates for this service in your area.

Centers for Medicare & Medicaid Services
Standard Grant/Cooperative Agreement Terms and Conditions
Attachment A

APPENDIX A TO PART 25—AWARD TERM

I. SYSTEM FOR AWARD MANAGEMENT AND UNIVERSAL IDENTIFIER REQUIREMENTS

A. Requirement for System for Award Management

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity unless the entity has provided its unique entity identifier to you.

C. Definitions

For purposes of this award term:

1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;

- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. Subaward:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).

c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. Subrecipient means an entity that:

a. Receives a subaward from you under this award; and

b. Is accountable to you for the use of the Federal funds provided by the subaward.

Centers for Medicare & Medicaid Services
Standard Grant/Cooperative Agreement Terms and Conditions
Attachment B

Award Term – Trafficking in Persons

- a. Provisions applicable to a recipient that is a private entity.
 - 1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
 - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - ii. Procure a commercial sex act during the period of time that the award is in effect; or
 - iii. Use forced labor in the performance of the award or subawards under the award.
 - 2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –
 - i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
 - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
 - A. Associated with performance under this award; or
 - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 376.
- b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—
 - 1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—
 - i. Associated with performance under this award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 376.
- c. Provisions applicable to any recipient.
1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
 2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
 3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.
- d. Definitions. For purposes of this award term:
1. “Employee” means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
 2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. “Private entity”:
 - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
 - ii. Includes:
 - A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
 - B. A for-profit organization.
4. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

Centers for Medicare & Medicaid Services
Standard Grant/Cooperative Agreement Terms and Conditions
Attachment C

Award Term - Federal Financial Accountability and Transparency Act (FFATA)
Subaward and Executive Compensation Reporting Requirement

I. Reporting Subawards and Executive Compensation.

a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if –

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received –

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

2. Where and when to report. You must report executive total compensation described in paragraph b.i. of this award term:

- i. As part of your registration profile at <http://www.sam.gov/portal/public/SAM/>.
- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if –

i. in the subrecipient's preceding fiscal year, the subrecipient received –

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. 210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that:

i. Receives a subaward from you (the recipient) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites, or property) for the executive exceeds \$10,000.

Centers for Medicare & Medicaid Services
Standard Grant/Cooperative Agreement Terms and Conditions
Attachment D

Pilot Program for Enhancement of Contractor Employee Whistleblower Protections

Grantees are hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled “Pilot Program for Enhancement of Contractor Employee Whistleblower Protections,” of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this award.

Federal Acquisition Regulations

As promulgated in the Federal Register, the relevant portions of 48 CFR section 3.908 read as follows (note that use of the term “contract,” “contractor,” “subcontract,” or “subcontractor” for the purpose of this term and condition, should be read as “grant,” “grantee,” “subgrant,” or “subgrantee”):

3.908 Pilot program for enhancement of contractor employee whistleblower protections

3.908-1 Scope of section.

- (a) This section implements 41 U.S.C. 4712.
- (b) This section does not apply to—
 - (1) DOD, NASA, and the Coast Guard; or
 - (2) Any element of the intelligence community, as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 3003(4)). This section does not apply to any disclosure made by an employee of a contractor or subcontractor of an element of the intelligence community if such disclosure-
 - (i) Relates to an activity of an element of the intelligence community; or
 - (ii) Was discovered during contract or subcontract services provided to an element of the intelligence community.

3.908-2 Definitions

As used in this section –

Abuse of authority means an arbitrary and capricious exercise of authority that is inconsistent with the mission of the executive agency concerned or the successful performance of a contract of such agency. Inspector General means an Inspector General appointed under the Inspector General Act of 1978 and any Inspector General that receives funding from, or has oversight over contracts awarded for, or on behalf of, the executive agency concerned.

3.908-3 Policy

1. Contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities listed at paragraph (b) of this subsection, information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract, a gross waste of Federal funds, an abuse of

authority relating to a Federal contract, a substantial and specific danger to public health or safety, or a violation of a law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract). A reprisal is prohibited even if it is undertaken at the request of an executive branch official, unless the request takes the form of a non-discretionary directive and is within the authority of the executive branch official making the request.

2. Entities to whom disclosure may be made.

- (a) A Member of Congress or a representative of a committee of Congress.
- (b) An Inspector General.
- (c) The Government Accountability Office.
- (d) A Federal employee responsible for contract oversight or management at the relevant agency.
- (e) An authorized official of the Department of Justice or other law enforcement agency.
- (f) A court or grand jury.
- (g) A management official or other employee of the contractor or subcontractor who has the responsibility to investigate, discover, or address misconduct.

3. An employee who initiates or provides evidence of a contractor or subcontractor misconduct in any judicial or administrative proceeding relating to waste, fraud, or abuse on a Federal contract shall be deemed to have made a disclosure.

3.908-9 Contract clause.

The contracting officer shall insert the clause at 52.203-17, Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights, in all solicitations and contracts that exceed the simplified acquisition threshold.

Contract clause:

Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights

(Apr 2014)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L.112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

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Conflict of Interest Policy

CMS requires recipients to establish safeguards to prevent employees, officers, or agents of the non-Federal entity such as consultants, contractors, members of governing bodies, and others who may be involved in grant-supported activities from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial or other gain for themselves or others, such as those with whom they have family, business, or other ties. These safeguards must be reflected in written standards of conduct. Except as provided below, CMS does not require a recipient to establish separate standards of conduct if it maintains such standards for its non-grant-supported activities, as long as those standards are consistent with State, local, and tribal laws and regulations, and cover, at a minimum, expected conduct in regard to financial interests, gifts, gratuities and favors, nepotism, and such other areas for governmental organizations as political participation and bribery.

Definitions:

"Principal Investigator/Project Director (PI/PD)" means the individual(s) designated by the recipient to direct the project or program being supported by the grant. The PI/PD is responsible and accountable to officials of the recipient organization for the proper conduct of the project, program, or activity. This designation also includes co-principal investigators/co-project directors, and any other person at the organization who is responsible for the design, conduct, or reporting of grant activities funded or proposed for funding by CMS.

"Significant financial interest" means anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interest (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).

This term does not include:

- a. salary, royalties or other remuneration from the applicant organization;
- b. income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;
- c. income from service on advisory committees or review panels for public or nonprofit entities;
- d. an equity interest that, when aggregated for the PI/PD and the PI/PD's spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair

market value, and does not represent more than a 5% ownership interest in any single entity; or

e. salary, royalties or other payments that, when aggregated for the PI/PD and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the prior twelve-month period.

The term "or other interest" means a non-financial benefit which results in a potential or real conflict of interest. The potential or real conflict of interest poses the same possible harms received from a financial conflict of interest such as bias due to personal gain. Such benefits may be received from a tangible or intangible personal benefit.

"Organizational conflicts of interest" means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

"Responsible representative" means the individual(s), named by the applicant/recipient organization, who is authorized to act on behalf of the applicant/recipient and to assume responsibility for the obligations imposed by federal laws, regulations, requirements, and conditions that apply to CMS grant awards.

Requirements:

The majority of CMS' grant programs are not supported by Public Health Service (PHS) funding; therefore, CMS is not subject to the requirements of 42 CFR Part 50, Subpart F, "Promoting Objectivity in Research." Notwithstanding, CMS expects grant activities (including research activities) to be free from bias by any conflicting interest of the PI/PD and any other person regardless of title or position, who is responsible for the design, conduct, or reporting of grant activities which may include collaborators or consultants.

Recipient's conflict of interest policies must reflect the following:

- Have a written and enforced administrative process to eliminate conflicting financial or other interests with respect to CMS grant/cooperative agreement funds awarded. This process should ensure:
 - The merits for determining a conflict of interest are clearly articulated in writing – i.e., the assigned reviewer(s) can reasonably determine that a significant or other interest could directly and significantly affect the design, conduct, or reporting of CMS-funded grant activities. This process should be inclusive of the appearance of such conflicts.
 - Each PI/PD discloses to a responsible representative of the Recipient all significant financial and/or other interests including personal relationships of the PI/PD (for example, PI/PD's spouse, dependent children, etc.): (i) that would reasonably appear to be affected by the grant activities funded or proposed for

- funding by CMS; or (ii) in entities whose financial or other interests would reasonably appear to be affected by such activities.
- One or more objective persons (1) reviews the potential conflict of interest; (2) determines whether a potential (appearance of) or real conflict of interest exists; and (3) Establishes what conditions, or restrictions, should be imposed to eliminate the conflict of interest.
 - This information is conveyed to the Responsible Representative for the organization who is designated to act on behalf of the applicable CMS award.
- Prior to expending funds under a new CMS award, the Responsible Representative must inform the applicable CMS Grants Management Specialist and Project Officer of any real or potential conflict of interest. The report must detail Recipient's plan to eliminate the conflict prior to spending CMS funding on the activities in question.
 - Require that similar reports for subsequently identified conflicts be made within 30 days of identifying them. Funding for those specific activities should cease until the aforementioned steps are completed.
 - Require that continual updates be made for any real or potential conflicts of interest not fully resolved. Recipient must make additional information available to the CMS Grants Management Specialist and Project Officer, upon request, as to how it is handling (or had handled) the real or potential conflict of interest.
 - Recipients must maintain records of all disclosures and of all actions taken to resolve conflicts of interest for at least three years beyond the termination or completion of the grant to which they relate, or until the resolution of any CMS action involving those records, whichever is longer.
 - The Recipient's policy must include adequate enforcement mechanisms, and provide for sanctions where appropriate.

Recipient may resolve such conflicts of interest through one or more of the following options outlined below. This is not an exhaustive list and Recipient may pursue other remedies.

- Modification of approved project to remove potential or real conflict of interest.
- Termination of agreement or other services that create potential or real conflict of interest.
- Removal of individuals with potential or real conflict of interest.
- Severance of relationships that create potential or real conflicts of interest.
- Divestiture of significant financial interests.

Recipient must ensure that CMS award funds are administered in accordance with conflict of interest policies that meet, at a minimum, the standards outlined above, inclusive of pass-through entities, subrecipients, contractors, or collaborators. Each entity must have its own policies in place that meet these requirements or mandate that the PIs/PDs working for such entities follow those of the Recipient.

Procurement:

The Recipient must also maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts in accordance with 45 CFR §75.327 General procurement standards. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest.

Centers for Medicare & Medicaid Services
Standard Grant/Cooperative Agreement Terms and Conditions
Attachment F

Award Term and Conditions for Recipient Integrity and Performance Matters

REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE

1. General Reporting Requirement

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

2. Proceedings About Which You Must Report

Submit the information required about each proceeding that:

a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;

b. Reached its final disposition during the most recent five year period; and

c. If one of the following:

(1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;

(2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;

(3) An administrative proceeding, as defined in paragraph 5 of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or

(4) Any other criminal, civil, or administrative proceeding if:

(i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;

(ii) It had a different disposition arrived at by consent or compromise with an acknowledgement of fault on your part; and

(iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

3. Reporting Procedures

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

4. Reporting Frequency

During any period of time when you are subject to this requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

5. Definitions

For purposes of this award term and condition:

a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

c. Total value of currently active grants, cooperative agreements, and procurement contracts includes—

(1) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and

(2) The value of all expected funding increments under a Federal award and options, even if not yet exercised

Centers for Medicare & Medicaid Services
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Attachment G

Accessibility Provisions

CMS and its grantees are responsible for complying with federal laws regarding accessibility. The grantee may receive a request from a beneficiary or member of the public for materials in accessible formats. All successful applicants under this announcement must comply with the following reporting and review activities regarding accessible format requests:

Accessibility Requirements:

1. **Public Notification:** If you have a public facing website, you shall post a message no later than 30 business days after award that notifies your customers of their right to receive an accessible format. Sample language may be found at: <https://.medicare.gov/about-us/nondiscrimination/nondiscrimination-notice.html>. Your notice shall be crafted applicable to your program.
2. **Processing Requests Made by Individuals with Disabilities:**
 - a. **Documents:**
 - i. When receiving a request for information in an alternate format (e.g., Braille, Large print, etc.) from a beneficiary or member of the public, you must:
 1. Consider/evaluate the request according to civil rights laws.
 2. Acknowledge receipt of the request and explain your process within 2 business days.
 3. Establish a mechanism to provide the request.
 - ii. If you are unable to fulfill an accessible format request, CMS may work with you in an effort to provide the accessible format. You shall refer the request to CMS within 3 business days if unable to provide the request. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 1. The e-mail title shall read “Grantee (Organization) Alternate Format Document Request.”
 2. The body of the e-mail shall include:
 - a. Requester’s name, phone number, e-mail, and mailing address.
 - b. The type of accessible format requested, e.g., audio recording on compact disc (CD), written document in Braille, written document in large print, document in a format that is read by qualified readers, etc.
 - c. Contact information for the person submitting the e-mail – Organization (Grantee), name, phone number and e-mail.

- d. The document that needs to be put into an accessible format shall be attached to the e-mail.
 - e. CMS may respond to the request and provide the information directly to the requester.
 - iii. The Grantee shall maintain record of all alternate format requests received including the requestor's name, contact information, date of request, document requested, format requested, date of acknowledgment, date request provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.
 - b. Services
 - i. When receiving request for an accessibility service (e.g., sign language interpreter) from a beneficiary or member of the public, you must:
 - 1. Consider/evaluate the request according to civil rights laws.
 - 2. Acknowledge receipt of the request and explain your process within 2 business days.
 - 3. Establish a mechanism to provide the request.
 - ii. If you are unable to fulfill an accessible service request, CMS may work with you in an effort to provide the accessible service. You shall refer the request to CMS within 3 business days if unable to provide the service. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 - 1. The e-mail title shall read "Grantee (Organization) Accessible Service Request."
 - 2. The body of the e-mail shall include:
 - a. Requester's name, phone number, e-mail, and mailing address.
 - b. The type of service requested (e.g., sign language interpreter and the type of sign language needed).
 - c. The date, time, address and duration of the needed service.
 - d. A description of the venue for which the service is needed (e.g., public education seminar, one-on-one interview, etc.)
 - e. Contact information for the person submitting the e-mail – Organization (Grantee), name, phone number and e-mail.
 - f. Any applicable documents shall be attached to the e-mail.
 - g. CMS will respond to the request and respond directly to the requester.
 - iii. The Grantee shall maintain record of all accessible service requests received including the requestor's name, contact information, date of request, service requested, date of acknowledgment, date service provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.
- 3. Processing Requests Made by Individuals with Limited English Proficiency (LEP):
 - a. Documents:

- i. When receiving a request for information in a language other than English from a beneficiary or member of the public, you must:
 1. Consider/evaluate the request according to civil rights laws.
 2. Acknowledge receipt of the request and explain your process within 2 business days.
 3. Establish a mechanism to provide the request as applicable.
 - ii. If you are unable to fulfill an alternate language format request, CMS may work with you in an effort to provide the alternate language format as funding and resources allow. You shall refer the request to CMS within 3 business days if unable to provide the request. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 1. The e-mail title shall read “Grantee (Organization) Alternate Language Document Request.”
 2. The body of the e-mail shall include:
 - a. Requester’s name, phone number, e-mail, and mailing address.
 - b. The language requested.
 - c. Contact information for the person submitting the e-mail – Organization (Grantee), name, phone number and e-mail.
 - d. The document that needs to be translated shall be attached to the e-mail.
 - e. CMS may respond to the request and provide the information directly to the requester.
 - iii. The Grantee shall maintain record of all alternate language requests received including the requestor’s name, contact information, date of request, document requested, language requested, date of acknowledgment, date request provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.
- b. Services
- i. When receiving request for an alternate language service (e.g., oral language interpreter) from a beneficiary or member of the public, you must:
 1. Consider/evaluate the request according to civil rights laws.
 2. Acknowledge receipt of the request and explain your process within 2 business days.
 3. Establish a mechanism to provide the request as applicable.
 - ii. If you are unable to fulfill an alternate language service request, CMS may work with you in an effort to provide the alternate language service as funding and resources allow. You shall refer the request to CMS within 3 business days if unable to provide the service. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:

1. The e-mail title shall read “Grantee (Organization) Accessible Service Request.”
2. The body of the e-mail shall include:
 - a. Requester’s name, phone number, e-mail, and mailing address.
 - b. The language requested.
 - c. The date, time, address and duration of the needed service.
 - d. A description of the venue for which the service is needed (e.g., public education seminar, one-on-one interview, etc.)
 - e. Contact information for the person submitting the e-mail – Organization (Grantee), name, phone number and e-mail.
 - f. Any applicable documents shall be attached to the e-mail.
 - g. CMS will respond to the request and respond directly to the requester.
- iii. The Grantee shall maintain record of all alternate language service requests received including the requestor’s name, contact information, date of request, language requested, service requested, date of acknowledgment, date service provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.

Please contact the CMS Office of Equal Opportunity and Civil Rights for more information about accessibility reporting obligations at AltFormatRequest@cms.hhs.gov.

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and
Communities (SUPPORT) Act:

Section 1003 Demonstration Project to Increase Substance Use Provider Capacity

PROGRAM SPECIAL TERMS AND CONDITIONS

1. The project period for the Section 1003 Demonstration Project to Increase Substance Use Provider Capacity is from September 30, 2019 to March 29, 2021. The start date for the award is September 30, 2019. No cooperative agreement funds can be used for expenses incurred prior to this date.

With the initial expenditure of funds, the Recipient certifies that the State Medicaid Agency, meaning the single state agency for medical assistance provided under title XIX of the Social Security Act (the Act), meets the definition of an “eligible entity” as defined in the solicitation which corresponds to section 2113(f) of the Act.

2. This Notice of Award (NoA) includes funding for the 18-month budget period, September 30, 2019 through March 31, 2021.
3. **COMMUNICATIONS:**

The Recipient must have and maintain an account with GrantSolutions (GS) in order to communicate, receive, and obtain documentation from CMS. If the designated Recipient’s Authorized Organizational Representative and Project Director do not already have accounts in GS, they should contact GS immediately upon receipt of award to complete a user account form. Any change in personnel with access to GS must also be communicated to CMS and GS staff so that the key responsible individuals are current and correct within the GS system.

The Recipient is required to participate in all required communications (e.g., monitoring or guidance calls, emails) and participate in technical assistance activities as specified in these Program Special Terms and Conditions or as requested by CMS. Required communication regarding grant-related activities includes, but is not limited to: Description of staffing; state infrastructure; data sharing; reporting; and organizational structure and progress with program implementation and improvements, as needed.

All Recipients will be given a 30-day start-up period to ensure that needed project leadership is engaged and the identified employees are fully trained and available to work on the cooperative agreement. CMS will allow Recipients to use grant funds to employ individuals and begin operations during this time. However, full funding for the first year of the budget period will be restricted until the Recipient demonstrates full staffing and demonstrates its formal engagement of stakeholders to inform its efforts related to assessment and development of state infrastructure to provide substance use disorder (SUD) treatment and recovery services.

CMS may waive or reduce the 30- day start-up period, and the restriction of first year funding, if the Recipient's assessment and infrastructure development efforts, as specified in this funding opportunity, and as detailed in the Recipient's approved application are well established with all project leadership, staffing, and stakeholder engagement already in place.

4. PROHIBITED USE OF FUNDS

Grant funds may not be used to pay healthcare providers for SUD treatment or care delivery.

5. MONITORING REPORTS

CMS reserves the right to request modification to required data elements reported in all technical documents and reports submitted in order to better measure outcomes related to specialized goals and strategies. CMS may also require the reporting of additional data elements over the course of the cooperative agreement to fully assess Recipient performance.

The Recipient shall assume responsibility for the accuracy and completeness of the information contained in all technical documents and reports submitted.

All program progress reports must be uploaded into the notes section of GS, entitled "Program Progress Report" and will be reviewed by the CMS Project Officer and Grants Management Specialist. Upon review, the CMS Project Officer will either accept or return the report to the Recipient for additional information or clarification.

All written reports must be in a format compliant with section 508 of the Rehabilitation Act (29 U.S.C. 794d).

Quarterly Program Progress Reports

The Recipient is required to complete quarterly Program Progress Reports. CMS will provide Recipients with instructions and/or a template for the quarterly Program Progress Report submissions.

The quarterly Program Progress Reports require narrative updates on grant activities as well as information on the work plan timeline and goals in accordance with the program terms and conditions.

Recipients must provide information on the initial assessment of behavioral health treatment needs of the state and expansion of SUD treatment and recovery service capacity including:

- a. Cooperative agreement implementation status;
- b. Program staffing;
- c. Formal engagement of all stakeholders;
- d. Activities focused on the Medicaid subpopulations: pregnant women, postpartum women, infants (including those with neonatal abstinence syndrome), adolescents and young adults between the ages of 12 and 21, American Indians and Alaska Natives (AI/ANs), people living in rural areas, and Medicare-Medicaid dual-eligibles;
- e. Experiences of the beneficiaries and providers;
- f. Strategies employed;
- g. Challenges and responses;
- h. Progress with program monitoring and improvements as needed.

CMS uses quarterly reports to track progress on grant goals, identify technical assistance needs, and inform technical assistance activities for all Recipients.

Semi-Annual Program Progress Reports

The Recipient is required to submit semi-annual Program Progress Reports to CMS in cooperation with CMS-directed national program evaluations. Semi-annual Program Progress Reports are due 30 days after the end of each semi-annual (6 month) reporting period:

<u>Semi-Annual Reporting Period:</u>	<u>Report due:</u>
September 20, 2019 to March 31, 2020	April 30, 2020
April 1, 2020 to September 30, 2020	October 30, 2020

CMS will provide Recipients with instructions and/or a template for the semi-annual Program Progress Report submissions. The semi-annual Program Progress Report requires quantitative and qualitative methods to provide updates on grant activities as well as information on the work

plan timeline and targets in accordance with the program terms and conditions. CMS uses semi-annual Program Progress Reports to track progress on grant goals, identify technical assistance needs, and inform technical assistance activities for all Recipients.

The semi-annual Program Progress Report must cover activities that took place in the prior six-month period and include at a minimum:

1. SUD treatment and recovery services access and utilization data and analysis of trends.
2. An assessment of the effectiveness of the efforts of the state to expand the capacity of providers to deliver SUD treatment or recovery services;
3. Submission of a log reflecting monthly submission status of T-MSIS production data to CMS, including addressing T-MSIS data quality issues and whether catch-up data files are current (if applicable);
4. A plan for how the Recipient will sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project after the termination of the demonstration project;
5. A description of Recipient efforts to sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project;
 - For Semi-Annual Period 1- Recipients will describe its initial sustainability plan and timeline,
 - For Semi-Annual Period 2- Recipients will describe its final sustainability plan and timeline.

Recipients will submit other information as requested by CMS. CMS will provide more detailed information about the content and format of the final progress report which will be due no later than June 30, 2021.

Annual Progress Reports

CMS will provide Recipients with guidance and/or template for the Annual Progress Report reporting period, September 30, 2019 through September 30, 2020.

Final Program Progress Report

The Final Program Progress Report, due 90 days after the project period end date (June 30, 2021), should assess the overall effectiveness of the project and suggest how the specific strategies and activities could be amended to better achieve stated goals.

This report will encompass key factors describing and summarizing the overall success and cumulative outcomes of the cooperative agreement including:

- A description of all funding sources available to the state to provide SUD treatment or recovery services in the state;

- A final sustainability plan and timeline for how the state will sustain any increase in the capacity of providers to deliver SUD treatment or recovery services resulting from the demonstration project after the termination of the demonstration project; and
- A description of how the State will coordinate the goals of the demonstration project with any approved waiver program (submitted by the state and pending) pursuant to section 1115 for the delivery of SUD services under the State plan, as applicable.
- Recipients will submit other information as requested by CMS and the contractor for the program evaluation. CMS will provide more detailed information about the content and format of the final progress report.

Federal Financial Report (FFR, SF-425)

The Federal Financial Report (FFR, SF-425) for expenditures will be due in the GS FFR module 30 days after the end of each semi-annual period. For specific instructions on all financial reporting requirements, both quarterly cash transactions reporting to the Payment Management System (PMS) and semi-annual expenditure reporting to GS, see the Standard Terms and Conditions, #12, Reporting Requirements.

CMS Evaluation Reports

The Recipient must fully cooperate with CMS and the CMS-directed national program evaluation's contractor tasked with the evaluation of the Section 1003 Demonstration Project to Increase Substance Use Provider Capacity.

The Recipient will be required to provide information and data to inform the CMS Evaluation Reports. The CMS Evaluation Reports will address the impact of the Recipient's initiatives to expand the number, capacity, and willingness of providers to deliver SUD treatment and recovery services. In addition, the evaluation will assess the impact of the Recipient's initiatives on the number of individuals enrolled in Medicaid who receive SUD treatment or recovery services under the demonstration and on the outcomes of Medicaid beneficiaries with SUD. The Recipient's activities will be assessed on: (1) impact, benefits, barriers, and outcomes; (2) evidence of improved coordination and efficiencies in the SUD treatment and recovery system; (3) experiences of the beneficiaries and providers; and (4) SUD treatment and recovery services access and utilization.

6. T-MSIS DATA SUBMISSIONS

Recipients are required to be current with their T-MSIS data submissions and addressing T-MSIS data quality issues. If the Recipient is not submitting T-MSIS production data monthly to CMS and/or their catch-up data files are not current, then Recipients must submit a plan with timeline, for CMS review and approval within the first grant quarter (September 30, 2019 through December 30, 2019), for achieving timely, monthly data submission.

7. PERSONNEL CHANGES (KEY PERSONNEL)

The Recipient is required to notify the CMS Project Officer and the CMS Grants Management Specialist within ten (10) days of any key personnel changes affecting the award. The Recipient's Project Officer and Financial Officer (who is responsible for completing the Financial Report SF-425), as well as any key contractor staff are considered key personnel. Key personnel changes require prior CMS approval. Recipients must submit an amendment request in GS.

8. CHANGE IN SCOPE

The Recipient may not deviate from the original scope of work as described and approved in the proposal for which the cooperative agreement was awarded without first receiving prior written approval from CMS. If proposing changes, the Recipient must first consult with the CMS Project Officer. The formal request must include a detailed explanation for the change of scope of work, including revised time line, work plan, and budget and be submitted as an amendment to GS. The CMS Grants Management Officer makes the final decision to approve or deny a request for a change in scope of work.

9. CORRECTIVE ACTION AND TERMINATION

All attachments to these program special terms and conditions are integral to the agreement between CMS and the Recipient and must be observed as such. As stated in the Notice of Funding Opportunity (NOFO), F3, Terms and Conditions, CMS may terminate this award for material noncompliance. Material noncompliance includes, but is not limited to violation of the terms and conditions of the award; failure to perform award activities in a satisfactory matter; improper management of use of awards funds; or fraud, waste, abuse, mismanagement, or criminal activity. CMS will consider Recipients for corrective action, funding restrictions, or termination if they do not meet the requirements outlined in their terms and conditions as stated in the Standard Terms and Conditions, Term #35. CMS reserves the right to reduce funds or terminate the cooperative agreement based on the Recipient's performance.

10. DUPLICATION

The Recipient is responsible for ensuring that no federal funds provided under this award are used to provide technical assistance or other services that are duplicative of funds and services authorized under other federal initiatives. The Recipient may be requested by CMS to provide evidence of well-documented internal controls to ensure that resources are used in the most efficient manner and that activities are not duplicative as stated above. If any duplication occurs,

the Recipient must notify the CMS Grants Management Specialist and the CMS Project Officer at the time of discovery and provide a mitigation plan to the CMS Grants Management Specialist and the CMS Project Officer. Documentation of all communication and collaborative efforts to eliminate duplication must be addressed in each semi-annual report.

ATTACHMENT A:

Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act:
Section 1003 Demonstration Project to Increase Substance Use Provider Capacity

TIMELINE

September 30, 2019 to March 29, 2021

<u>ACTIVITY</u>	<u>TIMELINE</u>
Cooperative Agreement Award	September 30, 2019
Cooperative Agreement period begins	September 20, 2019
Acceptance of Cooperative Agreement Award	Upon initial draw of funds from PMS
Monitoring Calls with CMS Project Officer	Within 30 days of the end of each calendar month beginning on or after September 30, 2019
Quarterly Program Progress Reports	30 days after the end of each fiscal year quarter: Quarter One, December 31; Quarter Two, March 31; Quarter Three, June 30; Quarter Four, September 30
Semi-Annual Progress Report	30 days after the end of each semi-annual (6 month) reporting period: Semi-Annual Period 1 ends March 31; Semi-Annual Period 2 ends September 30.
Quarterly Financial Reports	See Standard Terms and Conditions for Final Financial Reporting requirements.
Final Reports	June 30, 2021