

**HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO. 2016-048600-002
AMENDMENT NO. 4
UNDER THE
PRIMARY HEALTH CARE GRANT PROGRAM**

The **HEALTH AND HUMAN SERVICES COMMISSION** (“System Agency”) and **CHAMBERS COUNTY PUBLIC HOSPITAL DISTRICT #1** (“Contractor”), who are collectively referred to herein as the "Parties" to that certain Primary Health Care Contract effective September 1, 2015 and denominated HHSC Contract No. 2016-048600-002 (“Contract”), now desire to amend the Contract.

WHEREAS, the Parties want to, amongst other things, renew the contract for an additional one-year period; add funds for Fiscal Year (FY) 2020 as further specified herein; revise the Statement of Work; and add the FY 2020 renewal forms to the Contract; and

WHEREAS, the revisions will result in an addition of **APPROVED FY2020 DOLLAR AMOUNT APPROVED BY BUDGET VIA BUDGET ROSTER (\$127,250.00)** in state funds to be allocated as further specified herein.

NOW, THEREFORE, the Parties hereby amend and modify the Contract as follows:

1. **Section III** of the Signature Document (**Duration**) is hereby amended by adding the following:

The Contract is renewed for an additional one-year term (this Renewal Term”). This Renewal Term begins on September 1, 2019 and ends on August 31, 2020, unless terminated in accordance with the terms and conditions of the Contract.

2. **Section IV** of the Signature Document (**Budget**) is hereby deleted in its entirety and replaced with the following:

The total amount of this Contract will not exceed **Six-Hundred and Six-Thousand Two Hundred and Fifty Dollars (\$606,250.00)** in state grant funds to be allocated as follows:

Fiscal Year (FY)	Total State Funding
FY 2016 (September 1, 2015 through August 31, 2016)	\$117,250.00
FY 2017 (September 1, 2016 through August 31, 2017)	\$117,250.00
FY 2018 (September 1, 2017 through August 31, 2018)	\$117,250.00
FY 2019 (September 1, 2018 through August 31, 2019)	\$127,250.00
FY 2020 (September 1, 2019 through August 31, 2020)	\$127,250.00

All expenditures under the Contract will be in accordance with **ATTACHMENT D, BUDGET**. All payments shall be made on a cost reimbursement basis.

3. **Section V** of the Signature Document (**Notice to Proceed**) is hereby deleted in its entirety and replaced with the following:

V. Notice to Proceed

Funding for this Contract is dependent on State Appropriations. No FY 2020 work may begin and no charges may be incurred until the System Agency issues a written notice to proceed to Grantee. This Notice to Proceed may include an Amended or Ratified Budget which will be incorporated into this Contract by a subsequent Amendment, as necessary.

4. **Section VI** of the Signature Document (**Reporting Requirements**) is hereby deleted in its entirety and replaced with the following:

VI. Reporting Requirements

Grantee shall submit monthly, quarterly, and annual programmatic reports and/or financial vouchers/reports as required in **Attachment A-1 - Revised Statement of Work** and the PHC Policy Manual, as amended. Other data and/or reports deemed necessary by System Agency may be required, upon reasonable notice to Grantee.

5. **Section VII** of the Signature Document (**Contract Representatives**) is hereby deleted in its entirety and replaced with the following:

VII. Contract Representatives

The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

System Agency

Health and Human Services Commission
4900 North Lamar Blvd.
Austin, Texas, 78751
Attention: Marissa Acosta, Certified Texas Contract Manager

Grantee

Chambers County Public Health District #1
PO Box 398
Anahuac, TX 77514
Attention: Steven Gularte, Chief Executive Officer

6. **Indirect Cost Rate:** The Grantee's acknowledged or approved Indirect Cost Rate (ICR) is contained within **ATTACHMENT D, FY20 BUDGET DOCUMENTS** and either the ICR Acknowledgement Letter, ICR Acknowledgement Letter – Ten Percent De Minimis, or the ICR Agreement Letter is attached to this Contract and incorporated as **ATTACHMENT 4, INDIRECT COST RATE LETTER**.

If an Indirect Cost Rate Letter is required but it is not issued at the time of Contract execution, the Parties agree to amend the Contract to include the Indirect Cost Rate Letter as **ATTACHMENT E** when the Indirect Cost Rate Letter is issued.

If the System Agency, at its sole discretion, approves or acknowledges an updated indirect cost rate, the new rate, together with the revised ICR Acknowledgement Letter, ICR Acknowledgement Letter – Ten Percent De Minimis, or the ICR Agreement Letter, will be included in the revised amendment.

7. **Attachment A** of the Signature Document (**Statement of Work**) is hereby deleted in its entirety and replaced with the following attachment: **Attachment A-1 Revised Statement of Work**
8. **Attachment B - Special Conditions**, is hereby deleted in its entirety and replaced with the updated **Attachment B - Special Conditions Version**, which is attached to this Amendment and incorporated into the Contract as if fully set forth therein.
9. This Amendment shall be effective as of September 1, 2019.
10. Except as amended and modified by this Amendment, all terms and conditions of the Contract, as amended, shall remain in full force and effect.
11. Any further revisions to the Contract shall be by written agreement of the Parties.

SIGNATURE PAGE FOLLOWS

**SIGNATURE PAGE FOR AMENDMENT NO. 4
HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO. 2016-048600-002**

**HEALTH AND HUMAN SERVICES
COMMISSION**

**CHAMBERS COUNTY PUBLIC HOSPITAL
DISTRICT #1**

DocuSigned by:
Kelly Garcia
76A111A02040457...
Kelly Garcia

DocuSigned by:
Steven Gularte
A5D2EC4AE2A243C...
By: _____

Name: Steven Gularte

Deputy Executive Commissioner

Title: Chief Executive Officer

Date of Execution: August 1, 2019

Date of Execution: July 29, 2019

**THE FOLLOWING ATTACHMENTS ARE ATTACHED AND INCORPORATED AS PART OF THE
CONTRACT:**

- ATTACHMENT A-1 – REVISED STATEMENT OF WORK**
- ATTACHMENT B - SPECIAL CONDITIONS**
- ATTACHMENT C - FY 2020 RENEWAL FORMS**
- ATTACHMENT D - FY 2020 BUDGET DOCUMENTS**
- ATTACHMENT E – INDIRECT COST RATE LETTER, IF APPLICABLE**

ATTACHMENT A-1

REVISED STATEMENT OF WORK

**ATTACHMENT A-1
STATEMENT OF WORK**

I. GRANTEE RESPONSIBILITIES

Grantee will:

- A. Provide comprehensive preventive and primary health care (PHC) services to Texas residents with a gross family income at or below 200 percent of the federal poverty level (FPL). Grantee shall provide the following priority services: diagnosis and treatment, emergency medical services, family planning services, preventive health services, including immunizations, health education, and laboratory, x-ray, nuclear medicine, or other appropriate diagnostic services. In addition to priority services, Grantee may provide the following optional PHC services: nutrition services, health screening, home health care, dental care, transportation, prescription drugs, environmental health, podiatry, and social services.

- B. Provide services in accordance with this Contract, as amended, and the following documents which are incorporated herein by reference and made a part of this Contract:
 1. Attachment C --Grantee's FY 2020 Renewal Forms;
 2. HHSC Primary Health Care Program Policy Manual located at <https://hhs.texas.gov/doing-business-hhs/provider-portals/health-services-providers/primary-health-care-services-program>, as amended; and
 3. Department of State Health Services Standards for Public Health Clinic Services, as amended;

- C. Screen all individuals considered for the PHC program to determine eligibility using a System Agency-approved screening process in accordance with the PHC Policy Manual, as amended. Grantee may not alter System Agency eligibility forms or use another eligibility form unless it is submitted to and approved by System Agency. For an individual to receive PHC services, three (3) criteria shall be met:
 1. Texas resident;
 2. Gross family income at or below 200% of the adopted Federal Poverty Level (FPL); and
 3. Not eligible for other non-HHSC programs/benefits providing the same services.

- D. Provide information and supporting documentation as requested by System Agency to conduct desk reviews to verify accurate reporting/billing for the PHC Program. Failure to submit requested information in a timely manner may result in sanctions as authorized by the contract. If Grantee's desk review results in a finding of misappropriation of System Agency PHC co-payment (co-pay) policy, Grantee shall reimburse clients.

- E. Notify System Agency in writing within thirty (30) days of the vacancy of a position funded under this Contract. Grantee's contract award may be subject to a decrease equal to the salary savings (salary and benefits) realized as a result of the vacancy.

**ATTACHMENT A-1
STATEMENT OF WORK**

F. Provide the following routine reports to System Agency in compliance with the dates and conditions specified below:

Report Title	Submission Frequency	Due Date
PHC 225 Report Form	Monthly	The last business day of the month following service.
Staff Training Plan	Annually – within 45 days of the beginning of the contract year	October 15
Grantee's Co-pay Policy and Fee Schedule	One time (beginning of contract year)	September 30th
Purchase Voucher (Form 4116)	Monthly	The last business day of the month following service.
Financial Status Report (FSR)	Quarterly Q1: September 1 – Nov 30 Q2: December 1 – February 28/29 Q3: March 1 – May 31 Q4: June 1 – August 31	Q1: December 31 Q2: March 31 Q3: June 30 Q4: October 15
PHC 325 Annual Report	Annually - within sixty (60) days after the end of the contract term	October 30

1. PHC Form 225 (the Monthly Report): shall be sent to HDS.ADS@hhsc.state.tx.us and PHCReports@hhsc.state.tx.us by the last business day of the month following the month of service. Grantee shall provide requested data according to specified criteria (e.g., age, gender, number of unduplicated clients, etc.) as detailed in PHC report Form 225. Vouchers (Form 4116) will not be paid until the corresponding monthly PHC Report Form 225 is received and approved.
2. PHC 325 Annual Report: Grantee shall provide an annual program report to System Agency no later than sixty (60) days after the end of the contract year. Grantee shall provide requested data according to specified criteria (e.g., age, gender, race, ethnicity, number of unduplicated clients, etc.) as detailed in PHC annual report Form 325. Grantee shall email the report to the PHC mailbox PHCReports@hhsc.state.tx.us.

**ATTACHMENT A-1
STATEMENT OF WORK**

3. Financial Status Report (FSR): Grantee shall submit quarterly FSRs to the Health and Developmental Services, Office of Primary and Specialty Health, Contract Management Branch by the last business day of the month following the end of each quarter during the Contract term. Vouchers (Form 4116) for the corresponding month will not be processed until the quarterly FSR is received, reviewed, and approved by System Agency. Grantee shall submit the final FSR no later than forty-five (45) days following the end of the applicable term. The final Voucher of the fiscal year will not be processed for payment until the final FSR is received, reviewed, and approved by System Agency.

Failure to submit required reports in a timely manner may result in sanctions according to provisions of this Contract. Voucher will not be paid until the corresponding monthly report is received/approved.

- G. Maintain data and management information systems that are compatible with accurate reporting of contract performance.
- H. Make reasonable efforts to investigate and apply for all other sources of third party funding available to, or identified by, the patient before submitting System Agency Program claims for allowable costs.
- I. Implement policies and procedures for charging, billing, and collecting fees for individual client services provided. These policies and procedures shall be reviewed by Grantee's policy board or advisory committee.
- J. Comply with the following guidelines regarding co-pays, as applicable. Grantee may assess a co-pay from clients who receive services under this Contract, in accordance with the PHC policy manual, as amended. Grantee may not deny a service due to inability to pay. If Grantee charges client co-pay, Grantee shall adhere to the PHC fee schedule in the PHC Policy Manual. Grantee shall submit the entity's FY 2020 PHC client co-pay policy and fee schedules to the PHC mailbox (PHCReports@hsc.state.tx.us) for review and approval by September 30 of each Contract year. The Grantee shall waive the fee if a client self-declares an inability to pay. No client shall be denied services based on an inability to pay.
- K. Report client co-pays as program income on the monthly Purchase Voucher Form 4116 and the quarterly Financial Status Report (FSR or Form 269a). See Appendices in the System Agency PHC Policy and Procedure Manual, as amended, for the System Agency client co-pay fee schedule. This section shall not be construed to apply to funds raised by Grantee from fund-raising activities or donations. Fund raising includes membership drives or special events used to raise program funds. Donations include monies donated to the program by individuals and private groups, such as churches or other organizations.
- L. Contractor shall include funds in the Travel budget category for a minimum of two (2) staff members to attend up to two (2) trainings for two (2) days; to be held in Austin,

**ATTACHMENT A-1
STATEMENT OF WORK**

Dallas/Fort Worth, Houston or San Antonio in the fall, spring or summer of fiscal year 2020.

- M. Allow System Agency to conduct on-site quality assurance reviews as deemed necessary by System Agency. Unsatisfactory review findings may result in implementation of contract actions up to and including termination of the Contract.
- N. Notify the System Agency Health and Developmental Services, Office of Specialty Health Care Services, Contract Management Branch of any clinic site information changes, e.g., changes in contact person, hours of operation, address, National Provider Identification (NPI) number, Texas Provider Identification (TPI) number, and the closure, relocation, and/or opening of clinic site(s).
- O. Initiate the purchase of all equipment approved in writing by System Agency by the last business day of May in each Contract year.
- P. Comply with all applicable federal and state laws, rules, regulations, standards and guidelines, as amended.

II. PERFORMANCE MEASURES

- A. The following performance measures will be used to assess, in part, Grantee's effectiveness in providing the services described in this Contract, without waiving the enforceability of any of the other terms of this Contract:
 - For FY 2020, Grantee shall provide services to a minimum of 651 unduplicated clients who live or receive services in the following county: Chambers.
- B. System Agency will monitor Grantee's performance measure activity. If the number of unduplicated clients served is less than that projected in Grantee's final approved Application, Grantee's funding award may be subject to a decrease for the remainder of the Contract year.

III. BILLING INSTRUCTIONS

- A. Grantee shall submit requests for reimbursement of allowable PHC costs on a Purchase Voucher (Form 4116) monthly by the last business day of the following of the month in which the costs were incurred. Grantee shall submit a reimbursement request as a final purchase voucher no later than forty-five (45) days following the end of the applicable Contract year for costs encumbered on or before the last day of the Contract year. Reimbursement requests received in System Agency offices more than forty-five (45) calendar days following the end of the applicable Contract year will not be paid.
- B. Grantee shall email Form 4116 to the email address provide on the form.
- C. Grantee shall submit Form 4116 each month for actual program expenditures, even if there

**ATTACHMENT A-1
STATEMENT OF WORK**

are zero expenditures or if the contract budget limit has been reached. Contractor may be asked to submit additional documentation to verify expenditures.

- D. Accept reimbursement or payment from System Agency and any applicable fees from clients for clinical services as payment in full for services or goods provided to clients. Grantee shall not seek additional reimbursement or payment for services or goods from clients other than applicable fees for clinical health services.
- E. System Agency shall distribute funds to maximize the delivery of authorized services to eligible clients. System Agency will monitor Grantee's billing activity. Grantee may be subject to contract amount decreases if Grantee's billing activity is less than projected.
- F. Funds made available in the Contract year shall be used only for services performed during the same Contract year. Funds that are not expended for services during that Contract year cannot be used for services in any other period.

Remainder of Page Intentionally Left Blank.

ATTACHMENT B - SPECIAL CONDITIONS



TEXAS

Health and Human Services

Health and Human Services Commission
Special Conditions
Version 1.2
9.1.17

Contents

Article I. Special Definitions1

Article II. General Provisions.....2

 Section 2.01 Other System Agencies Participation in the Contract..... 2

 Section 2.02 Most Favored Customer..... 2

 Section 2.03 Cooperation with HHSC Vendors 3

 Section 2.04 Renegotiation and Reprocurement Rights 3

Article III. Contractors Personnel and Subcontractors3

 Section 3.01 Qualifications..... 3

 Section 3.02 Conduct and Removal..... 3

Article IV. Performance4

 Section 4.01 Measurement..... 4

Article V. Amendments and Modifications.....4

 Section 5.01 Formal Procedure..... 4

 Section 5.02 Minor Administrative Changes..... 4

Article VI. Payment4

 Section 6.01 Enhanced Payment Procedures 4

Article VII. Confidentiality5

 Section 7.01 Consultant Disclosure 5

 Section 7.02 Confidential System Information..... 5

Article VIII. Disputes and Remedies.....6

 Section 8.01 Agreement of the Parties..... 6

 Section 8.02 Operational Remedies..... 6

 Section 8.03 Equitable Remedies 7

 Section 8.04 Continuing Duty to Perform 7

Article IX. Damages.....7

 Section 9.01 Availability and Assessment..... 7

 Section 9.02 Specific Items of Liability 7

Article X. Turnover.....8

 Section 10.01 Turnover Plan..... 8

 Section 10.02 Turnover Assistance..... 8

Article XI. Additional License and Ownership Provisions.....8

 Section 11.01 HHSC Additional Rights 8

 Section 11.02 Third Party Software..... 8

Section 11.03 Software and Ownership Rights 9

Article XII. Uniform ICT Accessibility Clause.....9

Section 12.01 Applicability 9

Section 12.02 Definitions..... 9

Section 12.03 Accessibility Requirements 10

Section 12.04 Evaluation, Testing and Monitoring 10

Section 12.05 Representations and Warranties..... 11

Section 12.06 Remedies..... 11

Article XIII. Miscellaneous Provisions11

Section 13.01 Conflicts of Interest..... 11

Section 13.02 Flow Down Provisions..... 12

Section 13.03 Manufacturer’s Warranties 12

Article XIV. DSHS Legacy Provisions.....12

Section 14.01 Notice of Criminal Activity and Disciplinary Actions 12

Section 14.02 Notice of IRS or TWC Insolvency..... 13

Section 14.03 Education to Persons in Residential Facilities 13

Section 14.04 Disaster Services 13

Section 14.05 Consent by Non-Parent or Other State Law to Medical Care of a Minor..... 14

Section 14.06 Telemedicine /Telepsychiatry Medical Services 14

Section 14.07 Services and Information for Persons with Limited English Proficiency..... 14

Section 14.08 Third Party Payors 14

Section 14.09 HIV/AIDS Model Workplace Guidelines..... 15

Section 14.10 Medical Records Retention..... 15

Section 14.11 Notice of a License Action 15

Section 14.12 Interim Extension Amendment 15

Section 14.13 Child Abuse Reporting Requirement..... 16

HHSC SPECIAL CONDITIONS

The terms and conditions of these Special Conditions are incorporated into and made a part of the Contract. Capitalized items used in these Special Conditions and not otherwise defined have the meanings assigned to them in HHSC Uniform Terms and Conditions –Vendor- Version 2.14

Article I. SPECIAL DEFINITIONS

“Conflict of Interest” means a set of facts or circumstances, a relationship, or other situation under which Contractor, a Subcontractor, or individual has past, present, or currently planned personal or financial activities or interests that either directly or indirectly: (1) impairs or diminishes the Contractor’s, or Subcontractor’s ability to render impartial or objective assistance or advice to the HHSC; or (2) provides the Contractor or Subcontractor an unfair competitive advantage in future HHSC procurements.

“Contractor Agents” means Contractor’s representatives, employees, officers, Subcontractors, as well as their employees, contractors, officers, and agents.

“Custom Software” means Software developed as a Deliverable or in connection with the Agreement.

“Data Use Agreement” means the agreement incorporated into the Contract to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information.

“Item of Noncompliance” means Contractor’s acts or omissions that: (1) violate a provision of the Contract; (2) fail to ensure adequate performance of the Work; (3) represent a failure of Contractor to be responsive to a request of HHSC relating to the Work under the Contract.

“Minor Administrative Change” refers to a change to the Contract that does not increase the fees or term and done in accordance with Section 5.02 of these Special Conditions.

“Confidential System Information” means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor; or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of HHSC or through performance of the Work, which is not designated as Confidential Information in a Data Use Agreement.

“State” means the State of Texas and, unless otherwise indicated or appropriate, will be interpreted to mean HHSC and other agencies of the State of Texas that may participate in the administration of HHSC Programs; provided, however, that no provision will be interpreted to include any entity other than HHSC as the contracting agency.

“Software” means all operating system and applications software used or created by Contractor to perform the Work under the Contract.

“Third Party Software” refers to software programs or plug-ins developed by companies or individuals other than Contractor which are used in performance of the Work. It does not include items which are ancillary to the performance of the Work, such as internal systems of Contractor which were deployed by Contractor prior to the Contract and not procured to perform the Work.

“**Turnover**” means the effort necessary to enable HHSC, or its designee, to effectively close out the Contract and move the Work to another vendor or to perform the Work by itself.

“**Turnover Plan**” means the written plan developed by Contractor, approved by HHSC, and to be employed when the Work described in the Contract transfers to HHSC, or its designee, from the Contractor.

“**UTC**” means HHSC’s Uniform Terms and Conditions- Vendor –Version 2.15

Article II. GENERAL PROVISIONS

2.01 Other System Agencies Participation in the Contract

In addition to providing the Work specified for HHSC, Contractor agrees to allow other System Agencies the option to participate in the Contract under the same terms and conditions. Each System Agency that elects to obtain Work under this section will issue a purchase or Work order to Contractor, referring to, and incorporating by reference, the terms and conditions specified in the Contract.

System Agencies have no authority to modify the terms of the Contract. However, additional System Agency terms and conditions that do not conflict with the Contract, and are acceptable to the Contractor, may be added in a purchase or Work order and given effect. No additional term or condition added in a purchase or Work order issued by a System Agency can conflict with or diminish a term or condition of the Contract. In the event of a conflict between a System Agency’s purchase or Work order and the Contract, the Contract terms control.

2.02 Most Favored Customer

Contractor agrees that if during the term of the Contract, Contractor enters into any agreement with any other governmental customer, or any non-affiliated commercial customer by which it agrees to provide equivalent services at lower prices, or additional services at comparable prices, Contractor will notify HHSC within (10) business days from the date Contractor executes any such agreement. Contractor agrees, at HHSC’s option, to amend the Contract to accord equivalent advantage to HHSC.

2.03 Cooperation with HHSC Vendors

At HHSC's request, Contractor will allow parties interested in responding to other HHSC solicitations to have reasonable access during normal business hours to the Work, software, systems documentation, and site visits to the Contractor's facilities. Contractor may elect to have such parties inspecting the Work, facilities, software or systems documentation to agree to use the information so obtained only in the State of Texas and only for the purpose of responding to the relevant HHSC solicitation.

2.04 Renegotiation and Reprocurement Rights

Notwithstanding anything in the Contract to the contrary, HHSC may at any time during the term of the Contract exercise the option to notify Contractor that HHSC has elected to renegotiate certain terms of the Contract. Upon Contractor's receipt of any notice under this section, Contractor and HHSC will undertake good faith negotiations of the subject terms of the Contract.

HHSC may at any time issue solicitation instruments to other potential contractors for performance of any portion of the Work covered by the Contract, including services similar or comparable to the Work, performed by Contractor under the Contract. If HHSC elects to procure the Work, or any portion thereof, from another vendor in accordance with this section, HHSC will have the termination rights set forth in the UTC.

Article III. CONTRACTORS PERSONNEL AND SUBCONTRACTORS

3.01 Qualifications

Contractor agrees to maintain the organizational and administrative capacity and capabilities proposed in its response to the Solicitation, as modified, to carry out all duties and responsibilities under the Contract. Contractor Agents assigned to perform the duties and responsibilities under the Contract must be and remain properly trained and qualified for the functions they are to perform. Notwithstanding the transfer or turnover of personnel, Contractor remains obligated to perform all duties and responsibilities under the Contract without degradation and in strict accordance with the terms of the Contract.

3.02 Conduct and Removal

While performing the Work under the Contract, Contractor Agents must comply with applicable Contract terms, State and federal rules, regulations, HHSC's policies, and HHSC's requests regarding personal and professional conduct; and otherwise conduct themselves in a businesslike and professional manner.

If HHSC determines in good faith that a particular Contractor Agent is not conducting himself or herself in accordance with the terms of the Contract, HHSC may provide Contractor with notice and documentation regarding its concerns. Upon receipt of such notice, Contractor must promptly investigate the matter and, at HHSC's election, take appropriate action that may include removing the Contractor Agent from performing any Work under the Contract and replacing the Contractor Agent with a similarly qualified individual acceptable to HHSC as soon as reasonably practicable or as otherwise agreed to by HHSC.

Article IV. PERFORMANCE

4.01 Measurement

Satisfactory performance of the Contract, unless otherwise specified in the Contract, will be measured by:

- (a) Compliance with Contract requirements, including all representations and warranties;
- (b) Compliance with the Work requested in the Solicitation and Work proposed by Contractor in its response to the Solicitation and approved by HHSC;
- (c) Delivery of Work in accordance with the service levels proposed by Contractor in the Solicitation Response as accepted by HHSC;
- (d) Results of audits, inspections, or quality checks performed by the HHSC or its designee;
- (e) Timeliness, completeness, and accuracy of Work; and
- (f) Achievement of specific performance measures and incentives as applicable.

Article V. AMENDMENTS AND MODIFICATIONS

5.01 Formal Procedure

No different or additional Work or contractual obligations will be authorized or performed unless contemplated within the Scope of Work and memorialized in an amendment or modification of the Contract that is executed in compliance with this Article. No waiver of any term, covenant, or condition of the Contract will be valid unless executed in compliance with this Article. Contractor will not be entitled to payment for Work that is not authorized by a properly executed Contract amendment or modification, or through the express written authorization of HHSC.

Any changes to the Contract that results in a change to either the term, fees, or significantly impacting the obligations of the parties to the Contract must be effectuated by a formal Amendment to the Contract. Such Amendment must be signed by the appropriate and duly authorized representative of each party in order to have any effect.

5.02 Minor Administrative Changes

HHSC's designee, referred to as the Contract Manager, Project Sponsor, or other equivalent, in the Contract, is authorized to provide written approval of mutually agreed upon Minor Administrative Changes to the Work or the Contract that do not increase the fees or term. Changes that increase the fees or term must be accomplished through the formal amendment procedure, as set forth in Section 5.01 of these Special Conditions. Upon approval of a Minor Administrative Change, HHSC and Contractor will maintain written notice that the change has been accepted in their Contract files.

Article VI. PAYMENT

6.01 Enhanced Payment Procedures

HHSC will be relieved of its obligation to make any payments to Contractor until such time as any and all set-off amounts have been credited to HHSC. If HHSC disputes payment of all or any portion of an invoice from Contractor, HHSC will notify the Contractor of the dispute and both Parties will attempt in good faith to resolve the dispute in accordance with these Special Conditions. HHSC will not be required to pay any disputed portion of a Contractor invoice unless, and until, the dispute is resolved. Notwithstanding any such dispute, Contractor will continue to perform the Work in compliance with the terms of the Contract pending resolution of such dispute so long as all undisputed amounts continue to be paid to Contractor.

Article VII. CONFIDENTIALITY

7.01 Consultant Disclosure

Contractor agrees that any consultant reports received by HHSC in connection with the Contract may be distributed by HHSC, in its discretion, to any other state agency and the Texas legislature. Any distribution may include posting on HHSC's website or the website of a standing committee of the Texas Legislature.

7.02 Confidential System Information

HHSC prohibits the unauthorized disclosure of Other Confidential Information. Contractor and all Contractor Agents will not disclose or use any Other Confidential Information in any manner except as is necessary for the Work or the proper discharge of obligations and securing of rights under the Contract. Contractor will have a system in effect to protect Other Confidential Information. Any disclosure or transfer of Other Confidential Information by Contractor, including information requested to do so by HHSC, will be in accordance with the Contract. If Contractor receives a request for Other Confidential Information, Contractor will immediately notify HHSC of the request, and will make reasonable efforts to protect the Other Confidential Information from disclosure until further instructed by the HHSC.

Contractor will notify HHSC promptly of any unauthorized possession, use, knowledge, or attempt thereof, of any Other Confidential Information by any person or entity that may become known to Contractor. Contractor will furnish to HHSC all known details of the unauthorized possession, use, or knowledge, or attempt thereof, and use reasonable efforts to assist HHSC in investigating or preventing the reoccurrence of any unauthorized possession, use, or knowledge, or attempt thereof, of Other Confidential Information.

HHSC will have the right to recover from Contractor all damages and liabilities caused by or arising from Contractor or Contractor Agents' failure to protect HHSC's Confidential Information as required by this section.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE UTC, Contractor WILL INDEMNIFY AND HOLD HARMLESS HHSC FROM ALL DAMAGES, COSTS, LIABILITIES, AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COSTS) CAUSED BY OR ARISING FROM Contractor OR Contractor AGENTS FAILURE TO PROTECT OTHER CONFIDENTIAL INFORMATION. Contractor WILL FULFILL THIS PROVISION WITH COUNSEL APPROVED BY HHSC.

Article VIII. DISPUTES AND REMEDIES

8.01 Agreement of the Parties

The Parties agree that the interests of fairness, efficiency, and good business practices are best served when the Parties employ all reasonable and informal means to resolve any dispute under the Contract before resorting to formal dispute resolution processes otherwise provided in the Contract. The Parties will use all reasonable and informal means of resolving disputes prior to invoking a remedy provided elsewhere in the Contract, unless HHSC immediately terminates the Contract in accordance with the terms and conditions of the Contract.

Any dispute, that in the judgment of any Party to the Agreement, may materially affect the performance of any Party will be reduced to writing and delivered to the other Party within 10 business days after the dispute arises. The Parties must then negotiate in good faith and use every reasonable effort to resolve the dispute at the managerial or executive levels prior to initiating formal proceedings pursuant to the UTC and Texas Government Code §2260, unless a Party has reasonably determined that a negotiated resolution is not possible and has so notified the other Party. The resolution of any dispute disposed of by agreement between the Parties will be reduced to writing and delivered to all Parties within 10 business days of such resolution.

8.02 Operational Remedies

The remedies described in this section may be used or pursued by HHSC in the context of the routine operation of the Contract and are directed to Contractor's timely and responsive performance of the Work as well as the creation of a flexible and responsive relationship between the Parties. Contractor agrees that HHSC may pursue operational remedies for Items of Noncompliance with the Contract. At any time, and at its sole discretion, HHSC may impose or pursue one or more said remedies for each Item of Noncompliance. HHSC will determine operational remedies on a case-by-case basis which include, but are not, limited to:

- (a) Requesting a detailed Corrective Action Plan, subject to HHSC approval, to correct and resolve a deficiency or breach of the Contract;
- (b) Require additional or different corrective action(s) of HHSC's choice;
- (c) Suspension of all or part of the Contract or Work;
- (d) Prohibit Contractor from incurring additional obligations under the Contract;
- (e) Issue Notice to stop Work Orders;
- (f) Assessment of liquidated damages as provided in the Contract;
- (g) Accelerated or additional monitoring;
- (h) Withholding of payments; and
- (i) Additional and more detailed programmatic and financial reporting.

HHSC's pursuit or non-pursuit of an operational remedy does not constitute a waiver of any other remedy that HHSC may have at law or equity; excuse Contractor's prior substandard performance, relieve Contractor of its duty to comply with performance standards, or prohibit HHSC from assessing additional operational remedies or pursuing other appropriate remedies for continued substandard performance.

HHSC will provide notice to Contractor of the imposition of an operational remedy in accordance with this section, with the exception of accelerated monitoring, which may be unannounced. HHSC may require Contractor to file a written response as part of the operational remedy approach.

8.03 Equitable Remedies

Contractor acknowledges that if, Contractor breaches, attempts, or threatens to breach, any obligation under the Contract, the State will be irreparably harmed. In such a circumstance, the State may proceed directly to court notwithstanding any other provision of the Contract. If a court of competent jurisdiction finds that Contractor breached, attempted, or threatened to breach any such obligations, Contractor will not oppose the entry of an order compelling performance by Contractor and restraining it from any further breaches, attempts, or threats of breach without a further finding of irreparable injury or other conditions to injunctive relief.

8.04 Continuing Duty to Perform

Neither the occurrence of an event constituting an alleged breach of contract, the pending status of any claim for breach of contract, nor the application of an operational remedy, is grounds for the suspension of performance, in whole or in part, by Contractor of the Work or any duty or obligation with respect to the Contract.

Article IX. DAMAGES

9.01 Availability and Assessment

HHSC will be entitled to actual, direct, indirect, incidental, special, and consequential damages resulting from Contractor's failure to comply with any of the terms of the Contract. In some cases, the actual damage to HHSC as a result of Contractor's failure to meet the responsibilities or performance standards of the Contract are difficult or impossible to determine with precise accuracy. Therefore, if provided in the Contract, liquidated damages may be assessed against Contractor for failure to meet any aspect of the Work or responsibilities of the Contractor. HHSC may elect to collect liquidated damages:

- (a) Through direct assessment and demand for payment to Contractor; or
- (b) By deducting the amounts assessed as liquidated damages against payments owed to Contractor for Work performed. In its sole discretion, HHSC may deduct amounts assessed as liquidated damages as a single lump sum payment or as multiple payments until the full amount payable by the Contractor is received by the HHSC.

9.02 Specific Items of Liability

Contractor bears all risk of loss or damage due to defects in the Work, unfitness or obsolescence of the Work, or the negligence or intentional misconduct of Contractor or Contractor Agents. Contractor will ship all equipment and Software purchased and Third Party Software licensed under the Contract, freight prepaid, FOB HHSC's destination. The method of shipment will be consistent with the nature of the items shipped and applicable hazards of transportation to such items. Regardless of FOB point, Contractor bears all risks of loss, damage, or destruction of the Work, in whole or in part, under the Contract that occurs prior to acceptance by HHSC. After acceptance by HHSC, the risk of loss or damage will be borne by HHSC; however, Contractor remains liable for loss or damage attributable to Contractor's fault or negligence.

Contractor will protect HHSC's real and personal property from damage arising from Contractor or Contractor Agents performance of the Contract, and Contractor will be responsible for any loss, destruction, or damage to HHSC's property that results from or is caused by Contractor or Contractor Agents' negligence

or wrongful acts or omissions. Upon the loss of, destruction of, or damage to any property of HHSC, Contractor will notify HHSC thereof and, subject to direction from HHSC or its designee, will take all reasonable steps to protect that property from further damage. Contractor agrees, and will require Contractor Agents, to observe safety measures and proper operating procedures at HHSC sites at all times. Contractor will immediately report to the HHSC any special defect or an unsafe condition it encounters or otherwise learns about.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE UTC, Contractor WILL BE SOLELY RESPONSIBLE FOR ALL COSTS INCURRED THAT ARE ASSOCIATED WITH INDEMNIFYING THE STATE OF TEXAS OR HHSC WITH RESPECT TO INTELLECTUAL, REAL AND PERSONAL PROPERTY. ADDITIONALLY, HHSC RESERVES THE RIGHT TO APPROVE COUNSEL SELECTED BY Contractor TO DEFEND HHSC OR THE STATE OF TEXAS AS REQUIRED UNDER THIS SECTION.

Article X. TURNOVER

10.01 Turnover Plan

HHSC may require Contractor to develop a Turnover Plan at any time during the term of the Contract in HHSC's sole discretion. Contractor must submit the Turnover Plan to HHSC for review and approval. The Turnover Plan must describe Contractor's policies and procedures that will ensure:

- (a) The least disruption in the delivery the Work during Turnover to HHSC or its designee; and
- (b) Full cooperation with HHSC or its designee in transferring the Work and the obligations of the Contract.

10.02 Turnover Assistance

Contractor will provide any assistance and actions reasonably necessary to enable HHSC or its designee to effectively close out the Contract and transfer the Work and the obligations of the Contract to another vendor or to perform the Work by itself. Contractor agrees that this obligation survives the termination, regardless of whether for cause or convenience, or the expiration of the Contract and remains in effect until completed to the satisfaction of HHSC.

Article XI. ADDITIONAL LICENSE AND OWNERSHIP PROVISIONS

11.01 HHSC Additional Rights

HHSC will have ownership and unlimited rights to use, disclose, duplicate, or publish all information and data developed, derived, documented, or furnished by Contractor under or resulting from the Contract. Such data will include all results, technical information, and materials developed for or obtained by HHSC from Contractor in the performance of the Work. If applicable, Contractor will reproduce and include HHSC's copyright, proprietary notice, or any product identifications provided by Contractor.

11.02 Third Party Software

Contractor grants HHSC a non-exclusive, perpetual, license for HHSC to use Third Party Software and its associated documentation for its internal business purposes. HHSC will be entitled to use Third Party Software on the equipment or any replacement equipment used by HHSC, and with any replacement Third Party Software chosen by HHSC, without additional expense.

Terms in any licenses for Third Party Software will be consistent with the requirements of this section. Prior to utilizing any Third Party Software product not identified in the Solicitation Response, Contractor will provide HHSC copies of the license agreement from the licensor of the Third Party Software to allow HHSC to, in its discretion, object to the license agreement that must, at a minimum, provide HHSC with necessary rights consistent with the short and long-term goals of the Contract. Contractor will assign to HHSC all licenses for the Third Party Software as necessary to carry out the intent of this section.

Contractor will, during the Contract, maintain any and all Third Party Software at their most current version or no more than one version back from the most current version. However, Contractor will not maintain any Third Party Software versions, including one version back, if notified by HHSC that any such version would prevent HHSC from using any functions, in whole or in part, of HHSC systems or would cause deficiencies in HHSC systems.

11.03 Software and Ownership Rights

In accordance with 45 C.F.R. Part 95.617, all appropriate federal agencies will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for government purposes all Work, materials, Custom Software and modifications thereof, source code, associated documentation designed, developed, or installed with Federal Financial Participation under the Contract, including but not limited to those materials covered by copyright.

Article XII. UNIFORM ICT ACCESSIBILITY CLAUSE

12.01 Applicability

This Section applies to the procurement or development of Information and Communication Technology (ICT) for HHSC, or any changes to HHSC's ICT. This Section also applies if the Contract requires Contractor to perform a service or supply a goods that include ICT that: (i) HHSC employees are required or permitted to access; or (ii) members of the public are required or permitted to access. This Section does not apply to incidental uses of ICT in the performance of a contract, unless the parties agree that the ICT will become property of the state or will be used by HHSC's Client/Recipient after completion of the Contract.

Nothing in this section is intended to prescribe the use of particular designs or technologies or to prevent the use of alternative technologies, provided they result in substantially equivalent or greater access to and use of a product / service.

12.02 Definitions

The legacy term "Electronic and Information Resources" (EIR) and the term "Information and Communication Technology" (ICT) are considered equivalent in meaning for the purpose of applicability of HHSC Uniform Terms and Conditions, policies, accessibility checklists, style guides, contract specifications, and other contract management documents. To the extent that any other of the following definitions conflict with definitions elsewhere in this Contract, the following definitions are applicable to this Section only.

1. **“Accessibility Standards”** refers to the Information and Communication Technology Accessibility Standards and the Web Accessibility Standards/Specifications under the Web Content Accessibility Guidelines version 2.0 Level AA, (WCAG 2.0).
2. **“Information and Communication Technology (ICT)”** is any information technology, equipment, or interconnected system or subsystem of equipment for which the principal function is the creation, conversion, duplication, automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, reception, or broadcast of data or information. Examples of ICT are electronic content, telecommunications products, computers and ancillary equipment, software, information kiosks and transaction machines, videos, IT services, and multifunction office machines which copy, scan, and fax documents.
3. **“Information and Communication Technology Accessibility Standards”** refers to the accessibility standards for information and communication technology contained in the Web Content Accessibility Guidelines version 2.0 Level AA.
4. **“Web Accessibility Standards/Specifications”** refers to the web standards contained in WCAG 2.0 Level AA.
5. **“Products”** means information resources technologies that are, or are related to, ICT.
6. **“Service”** means the act of delivering information or performing a task for employees, clients, or members of the public through a method of access or delivery that uses ICT.

12.03 Accessibility Requirements

Under Texas Government Code Chapter 2054, Subchapter M, and implementing rules of the Texas Department of Information Resources, HHSC must procure Products or Services that comply with the Accessibility Standards when such Products or Services are available in the commercial marketplace or when such Products or Services are developed in response to a procurement solicitation. Accordingly, Contractor must provide ICT and associated Product and/or Service documentation and technical support that comply with the Accessibility Standards.

12.04 Evaluation, Testing and Monitoring

1. HHSC may review, test, evaluate and monitor Contractor’s Products, Services and associated documentation and technical support for compliance with the Accessibility Standards. Review, testing, evaluation and monitoring may be conducted before and after the award of a contract. Testing and monitoring may include user acceptance testing.
1. Neither (1) the review, testing (including acceptance testing), evaluation or monitoring of any Product or Service, nor (2) the absence of such review, testing, evaluation or monitoring, will result in a waiver of the State’s right to contest the Contractor’s assertion of compliance with the Accessibility Standards.

2. Contractor agrees to cooperate fully and provide HHSC and its representatives timely access to Products, Services, documentation, and other items and information needed to conduct such review, evaluation, testing and monitoring.

12.05 Representations and Warranties

1. Contractor represents and warrants that: (i) as of the effective date of the contract, the Products, Services and associated documentation and technical support comply with the Accessibility Standards as they exist at the time of entering the contract, unless and to the extent the Parties otherwise expressly agree in writing; and (ii) if the Products will be in the custody of the state or an HHS agency's client or recipient after the contract expiration or termination, the Products will continue to comply with such Accessibility Standards after the expiration or termination of the contract term, unless HHSC and/or Client/Recipient, as applicable uses the Products in a manner that renders it noncompliant.
2. In the event Contractor should have known, becomes aware, or is notified that the Product and associated documentation and technical support do not comply with the Accessibility Standards, Contractor represents and warrants that it will, in a timely manner and at no cost to HHSC, perform all necessary steps to satisfy the Accessibility Standards, including but not limited to remediation, repair, replacement, and upgrading of the Product, or providing a suitable substitute.
3. Contractor acknowledges and agrees that these representations and warranties are essential inducements on which HHSC relies in awarding this contract.
4. Contractor's representations and warranties under this subsection will survive the termination or expiration of the contract and will remain in full force and effect throughout the useful life of the Product.

12.06 Remedies

1. Pursuant to Texas Government Code Sec. 2054.465, neither Contractor nor any other person has cause of action against HHSC for a claim of a failure to comply with Texas Government Code Chapter 2054, Subchapter M, and rules of the Department of Information Resources.
2. In the event of a breach of Contractor's representations and warranties, Contractor will be liable for direct and consequential damages and any other remedies to which HHSC may be entitled. This remedy is cumulative of any and all other remedies to which HHSC may be entitled under this contract and other applicable law.

Article XIII. MISCELLANEOUS PROVISIONS

13.01 Conflicts of Interest

Contractor warrants to the best of its knowledge and belief, except to the extent already disclosed to HHSC, there are no facts or circumstances that could give rise to a Conflict of Interest and further that Contractor or Contractor Agents have no interest and will not acquire any direct or indirect interest that would conflict in any manner or degree with their performance under the Contract. Contractor will, and require Contractor Agents, to establish safeguards to prohibit Contract Agents from using their positions for a purpose that constitutes or presents the appearance of personal or organizational Conflict of Interest, or for personal gain. Contractor and Contractor Agents will operate with complete independence and objectivity without actual, potential or apparent Conflict of Interest with respect to the activities conducted under the Contract.

Contractor agrees that, if after Contractor's execution of the Contract, Contractor discovers or is made aware of a Conflict of Interest, Contractor will immediately and fully disclose such interest in writing to HHSC. In addition, Contractor will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Contractor or by HHSC as a potential conflict. HHSC reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Contractor agrees to abide by HHSC's decision.

If HHSC determines that Contractor was aware of a Conflict of Interest and did not disclose the conflict to HHSC, such nondisclosure will be considered a material breach of the Contract. Furthermore, such breach may be submitted to the Office of the Attorney General, Texas Ethics Commission, or appropriate State or federal law enforcement officials for further action.

13.02 Flow Down Provisions

Contractor must include any applicable provisions of the Contract in all subcontracts based on the scope and magnitude of Work to be performed by such Subcontractor. Any necessary terms will be modified appropriately to preserve the State's rights under the Contract.

13.03 Manufacturer's Warranties

Contractor assigns to HHSC all of the manufacturers' warranties and indemnities relating to the Work, including without limitation, Third Party Software, to the extent Contractor is permitted by the manufacturers to make such assignments to HHSC.

Article XIV. DSHS LEGACY PROVISIONS

14.01 Notice of Criminal Activity and Disciplinary Actions

- (a) Contractor shall immediately report in writing to their contract manager when Contractor has knowledge or any reason to believe that they or any person with ownership or controlling interest

in the organization/business, or their agent, employee, subcontractor or volunteer that is providing services under this Contract has:

Engaged in any activity that could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; or

Been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime.

- (b) Contractor shall not permit any person who engaged, or was alleged to have engaged, in any activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed in writing by the System Agency.

14.02 Notice of IRS or TWC Insolvency

Contractor shall notify in writing their assigned contract manager their insolvency, incapacity or outstanding unpaid obligations to the Internal Revenue Service (IRS) or Texas Workforce Commission within five days of the date of becoming aware of such.

14.03 Education to Persons in Residential Facilities

Contractor shall ensure that all persons, who are housed in System Agency licensed or funded residential facilities and are 22 years of age or younger, have access to educational services as required by Texas Education Code § 29.012.

Contractor shall notify the local education agency or local early intervention program as prescribed by this Section not later than the third calendar day after the date a person who is 22 years of age or younger is placed in Contractor's residential facility

14.04 Disaster Services

In the event of a local, state, or federal emergency, including natural, man-made, criminal, terrorist, and/or bioterrorism events, declared as a state disaster by the Governor, or a federal disaster by the appropriate federal official, Contractor may be called upon to assist the System Agency in providing the following services:

- (a) Community evacuation;
- (b) Health and medical assistance;
- (c) Assessment of health and medical needs;
- (d) Health surveillance;
- (e) Medical care personnel;
- (f) Health and medical equipment and supplies;
- (g) Patient evacuation;
- (h) In-hospital care and hospital facility status;
- (i) Food, drug and medical device safety;
- (j) Worker health and safety;
- (k) Mental health and substance abuse;
- (l) Public health information;
- (m) Vector control and veterinary services; and
- (n) Victim identification and mortuary services.

14.05 Consent by Non-Parent or Other State Law to Medical Care of a Minor

Unless a federal law applies, before a Contractor or its subcontractor can provide medical, dental, psychological or surgical treatment to a minor without parental consent, informed consent must be obtained as required by Texas Family Code Chapter 32.

14.06 Telemedicine /Telepsychiatry Medical Services

If Contractor or its subcontractor uses telemedicine/telepsychiatry, these services shall be in accordance with the Contractor's written procedures. Contractor must use a protocol approved by Contractor's medical director and equipment that complies with the System Agency equipment standards, if applicable. Contractor's procedures for providing telemedicine service must include the following requirements:

- (a) Clinical oversight by Contractor's medical director or designated physician responsible for medical leadership;
- (b) Contraindication considerations for telemedicine use;
- (c) Qualified staff members to ensure the safety of the individual being served by telemedicine at the remote site;
- (d) Safeguards to ensure confidentiality and privacy in accordance with state and federal laws;
- (e) Use by credentialed licensed providers providing clinical care within the scope of their licenses;
- (f) Demonstrated competency in the operations of the system by all staff members who are involved in the operation of the system and provision of the services prior to initiating the protocol;
- (g) Priority in scheduling the system for clinical care of individuals;
- (h) Quality oversight and monitoring of satisfaction of the individuals served; and
- (i) Management of information and documentation for telemedicine services that ensures timely access to accurate information between the two sites. Telemedicine Medical Services does not include chemical dependency treatment services provided by electronic means under 25 Texas Administrative Code Rule § 448.911.

14.07 Services and Information for Persons with Limited English Proficiency

- (a) Contractor shall take reasonable steps to provide services and information both orally and in writing, in appropriate languages other than English, to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits and activities.
- (b) Contractor shall identify and document on the client records the primary language/dialect of a client who has limited English proficiency and the need for translation or interpretation services and shall not require a client to provide or pay for the services of a translator or interpreter.
- (c) Contractor shall make every effort to avoid use of any persons under the age of 18 or any family member or friend of the client as an interpreter for essential communications with a client with limited English proficiency unless the client has requested that person and using the person would not compromise the effectiveness of services or violate the client's confidentiality and the client is advised that a free interpreter is available.

14.08 Third Party Payors

Except as provided in this Contract, Contractor shall screen all clients and may not bill the System Agency for services eligible for reimbursement from third party payors, who are any person or entity who has the legal responsibility for paying for all or part of the services provided, including commercial health or liability insurance carriers, Medicaid, or other federal, state, local and private funding sources.

As applicable, the Contractor shall:

- (a) Enroll as a provider in Children's Health Insurance Program and Medicaid if providing approved services authorized under this Contract that may be covered by those programs and bill those programs for the covered services;
- (b) Provide assistance to individuals to enroll in such programs when the screening process indicates possible eligibility for such programs;
- (c) Allow clients that are otherwise eligible for System Agency services, but cannot pay a deductible required by a third party payor, to receive services up to the amount of the deductible and to bill the System Agency for the deductible;
- (d) Not bill the System Agency for any services eligible for third party reimbursement until all appeals to third party payors have been exhausted;
- (e) Maintain appropriate documentation from the third party payor reflecting attempts to obtain reimbursement;
- (f) Bill all third party payors for services provided under this Contract before submitting any request for reimbursement to System Agency; and
- (g) Provide third party billing functions at no cost to the client.

14.09 HIV/AIDS Model Workplace Guidelines

Contractor shall implement System Agency's policies based on the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), AIDS Model Workplace Guidelines for Businesses at <http://www.dshs.state.tx.us/hivstd/policy/policies.shtm>, State Agencies and State Contractors Policy No. 090.021.

Contractor shall also educate employees and clients concerning HIV and its related conditions, including AIDS, in accordance with the Texas Health & Safety Code §§ 85.112-114.

14.10 Medical Records Retention

Contractor shall retain medical records in accordance with 22 TAC §165.1(b) or other applicable statutes, rules and regulations governing medical information.

14.11 Notice of a License Action

Contractor shall notify their contract manager of any action impacting its license to provide services under this Contract within five days of becoming aware of the action and include the following:

- (a) Reason for such action;
- (b) Name and contact information of the local, state or federal department or agency or entity;
- (c) Date of the license action; and
- (d) License or case reference number.

14.12 Interim Extension Amendment

- (a) Prior to or on the expiration date of this Contract, the Parties agree that this Contract can be

- extended as provided under this Section.
- (b) The System Agency shall provide written notice of interim extension amendment to the Contractor under one of the following circumstances:
 - 1. Continue provision of services in response to a disaster declared by the governor; or
 - 2. To ensure that services are provided to clients without interruption.
 - (c) The System Agency will provide written notice of the interim extension amendment that specifies the reason for it and period of time for the extension.
 - (d) Contractor will provide and invoice for services in the same manner that is stated in the Contract.
 - (e) An interim extension under Section (b)(1) above shall extend the term of the contract not longer than 30 days after governor's disaster declaration is declared unless the Parties agree to a shorter period of time.
 - (f) An interim extension under Section (b)(2) above shall be a one-time extension for a period of time determined by the System Agency.

14.13 Child Abuse Reporting Requirement

- (a) Contractors shall comply with child abuse and neglect reporting requirements in Texas Family Code Chapter 261. This section is in addition to and does not supersede any other legal obligation of the Contractor to report child abuse.
- (b) Contractor shall develop, implement and enforce a written policy that includes at a minimum the System Agency's Child Abuse Screening, Documenting, and Reporting Policy for Contractors/Providers and train all staff on reporting requirements.
- (c) Contractor shall use the System Agency's Child Abuse Reporting Form located at www.SystemAgency.state.tx.us/childabusereporting as required by the System Agency. Contractor shall retain reporting documentation on site and make it available for inspection by the System Agency.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK