

## AMENDMENT NO. 1

### TEXAS HEALTH AND HUMAN SERVICES AND S.A.I.L.S (SAN ANTONIO INDEPENDENT LIVING SERVICES)

The **Health and Human Services Commission** (“**HHSC**” or “**System Agency**”) and **S.A.I.L.S (San Antonio Independent Living Services)** (“**Grantee**”), who are collectively referred to herein as the “**Parties**,” to that certain Centers for Independent Living Program Contract, effective September 1, 2018, and denominated as HHSC Contract No. **HHS000202900011** (the “**Contract**”), now desire to amend the Contract.

**WHEREAS**, the Parties have chosen to exercise their option to amend the Contract in accordance with **Section 9.01 of Attachment C** to the Contract.

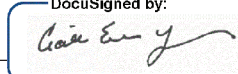
**NOW, THEREFORE**, the Parties hereby amend the Contract as follows:

1. **SECTION V. PAYMENT FOR SERVICES PROVIDED** is amended to add the following statement:  
  
“The amount of the Contract will not exceed **\$785,691.00** for Fiscal Year 2019.” **This amount reflected above includes an Additional Monetary Allocation of \$12,034 for Fiscal Year 2019.**
2. **ATTACHMENT A, STATEMENT OF WORK** is deleted in its entirety, and replaced and superseded by **ATTACHMENT A-1, STATEMENT OF WORK** appended to this Amendment.
3. **ATTACHMENT B, PAYMENT FOR SERVICES PROVIDED** is deleted in its entirety, and replaced and superseded by **ATTACHMENT B-1, PAYMENT FOR SERVICES PROVIDED** appended to this Amendment.
4. This Amendment will be effective as of the date last signed below.
5. Except as amended by this Amendment, all terms and conditions of the Contract shall remain in full force and effect.
6. Any further revisions to the Contract shall be by written agreement of the Parties.

*(Signature Page Follows)*

**SIGNATURE PAGE FOR AMENDMENT NO. 1  
HHSC CONTRACT NO. HHS000202900011**

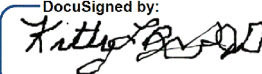
**Health and Human Services  
Commission**

By:  \_\_\_\_\_  
Nam C80071B769504E9...

Title: Chief Deputy Executive Commissioner

Date of Execution: May 21, 2019

**S.A.I.L.S (San Antonio Independent Living  
Services)**

By:  \_\_\_\_\_  
Kitt 369C6FB6A0D7429...

Executive Director

Date of Execution: May 19, 2019

**THE FOLLOWING ATTACHMENTS APPENDED HERETO ARE HEREBY INCORPORATED AS PART OF  
THE CONTRACT BY REFERENCE:**

- ATTACHMENT A-1 STATEMENT OF WORK**
- ATTACHMENT B-1 PAYMENT FOR SERVICES PROVIDED**

## **ATTACHMENT A-1**

### **STATEMENT OF WORK**

#### **1. Program Purpose**

The purpose of this program is to provide Independent Living Purchased Services that promote to the fullest extent, the integration and inclusion of individuals with significant disabilities into society.

HHSC awards contracts, whether by grant or other form of agreement, to service as providers for, including but not limited to, centers for independent living and other organizations or persons skilled in the delivery of independent living services.

#### **2. Grantee Requirements**

*To participate as a provider under this Contract, the Grantee must:*

- 2.1 Ensure compliance with this Contract, including these Grantee Requirements.
- 2.2 Ensure compliance with all rules governing the Texas ILS Program included in 40 *Texas Administrative Code* (TAC), Part 2, Chapter 104, that is available online and can currently be accessed at: [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=40&pt=2&ch=104](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=40&pt=2&ch=104).
- 2.3 Comply with the HHSC Independent Living Services Standards for Providers that is available online and can currently be accessed at: <https://hhs.texas.gov/laws-regulations/handbooks/independent-living-services-standards-providers>.
- 2.4 Comply with all revisions to the HHSC Independent Living Services Standards for Providers by the effective date of the notice, which may be revised at any time, in HHSC's sole discretion, as deemed necessary.
- 2.5 Ensure and maintain compliance with the most recent version of the HHSC Independent Living Services Standards for Providers.
- 2.6 Perform all services and conduct all communications to consumers, sub-contractors and HHSC staff in a professional and respectful manner.
- 2.7 Ensure and maintain the performance measure for S.A.I.L.S (San Antonio Independent Living Services), is **147** consumers served (i.e. consumers determined eligible with an independent living plan completed) per fiscal year.
  - 2.7.1 The service provider must meet at least 90 percent of this goal as determined by HHSC's data reporting system.

2.7.2 The service provider must provide a written explanation of the reason for a variance either below or above the performance measure target within 45 days of the Contract period end.

2.8 Comply with all ILS Program reporting requirements, including the following:

2.8.1 Records must support all data reported, including that amounts in fiscal reports match amounts in accounting records.

2.8.2 Program Reporting:

2.8.2.1 The service provider is required to enter or upload data into the Independent Living Services (“ILS”) Data Reporting System by the fifth day of the following month in accordance with the user guide instructions. The ILS Data Reporting System captures program performance and financial data about each ILS Program contract, including data on waiting lists, monthly consumer participation, financial information, successful and unsuccessful case closures, and consumer purchases service records.

2.8.2.2 HHSC will use information in this data reporting system to monitor the ILS Program contracts. Key performances measures and work plan targets.

2.8.2.3 By the fifth day after the end of the previous month, service providers will be required to enter consumer success stories into the Independent Living Services Data Reporting System. These consumer success stories should include examples of consumers served with different disabilities, including consumers who are deaf or hard of hearing and blind or visually impaired.

2.8.3 Financial Reporting:

2.8.3.1 The service provider is required to complete financial reports for the Contract, to include the following:

- a. Original Annual Budget;
- b. HHSC3001 Quarterly Financial Report;
- c. 3001-Quarterly-Financial-Report;
- d. HHSC3003 Quarterly Program Income Report;
- e. 3003-Quarterly-Program-Income-Report;
- f. HHSC3000 Budget Revision Request;
- g. 3000-Budget-Revision-Request; and
- h. End of Year Itemized Report - see below for details

2.8.3.2 A service provider must submit a HHSC3001 Quarterly Financial Report to the HHSC contract manager within 30 days after the end of the quarter. The HHSC3001 for the fourth quarter will be due within 45 days after the end of the fiscal year.

2.8.3.3 If an Additional Monetary Allocation is provided to a service provider, the service provider must submit an End of Year Itemized Report on the

utilization of the funds allocated to the HHSC contract manager within 45 days after the end of the fiscal year in which the funds were allocated. This report will include an itemization of all ILS categories delineating how the funds were used in the format prescribed by the System Agency.

2.8.3.4 The financial reports support ongoing budget oversight, including a comparison of actual-to-budgeted funds. When a financial report is completed, it should be saved separately, named appropriately, and submitted to the contract manager according to the instructions.

2.8.3.5 **Request for Payment.** The HHSC ILS Invoice is used to request funds for Contract costs. The HHSC ILS Invoice must be completed and submitted within 5 days after the end of the reporting month and must be approved before the advance is paid. The service provider can receive advance funds (that is, funds received before the expense is incurred) for an amount equal to 90 days of operating funds or less, if the Contract requirements are met.

2.8.3.6 Reimbursement request costs should reflect allowable costs for the period billed. The request for reimbursement should be submitted within ten days after the end of the reporting month and must be approved before the reimbursement is paid.

#### 2.8.4 Grievance and Complaint Reporting

2.8.4.1 Based on HHSC Office of the Ombudsman requirements, the grantees are required to report all grievances or complaints related to ILS program in a format determined by HHSC.

#### 2.9 Subcontracting Opportunities

Grantee must provide HHSC at least 30 days' written notice of its intent to subcontract any of the services provided under this Contract and receive written approval from HHSC before proceeding with services from a subcontractor.

### 3. HHSC Monitoring Results with Findings

3.1 HHSC awards and monitors contracts with providers that provide ILS pursuant to 1 Texas Administrative Code (TAC), Part 15, Chapter 392, that is available online and can currently be accessed at: [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=1&pt=15&ch=392](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=15&ch=392) and other applicable federal and state statutes.

3.2 In the event that HHSC or its representatives or agents develop a report with findings based on HHSC's monitoring of Grantee's performance under this Contract, the Grantee must submit a written response to the findings within the timeframe specified by HHSC explaining the actions the Grantee has taken or plans to take to address the findings.

3.3 If the Grantee fails to address or willfully refuses to address any finding within a reasonably negotiated timeline, the Grantee is subject to the appropriate remedies available under this Agreement or provided by law, as determined by HHSC.

#### **4. Performance Measures**

4.1 HHSC will monitor the performance of each service provider or grantee by various methods including the attainment of performance measures. The performance measure is based on the number of consumers served, which is the number of consumers who have been determined eligible and have an independent living plan during the current Contract period of service. This measure supports the service provider's ability to serve consumers throughout the current Contract period of service. The methodology for determining the service provider's individual number of consumers served performance measure is:

4.1.1 Current Contract period to date information of number of consumers served as available on April 30th.

4.1.2 Statistical projection of number of consumers served for the remainder of the Contract period, May - August.

4.1.3 Adjustments for underperforming service providers based on previous Contract period(s) data.

#### **5. Service Delivery Area(s)**

The service area for the ILS program is state-wide, but specific provider counties within the state are individually approved by HHSC. The approved service areas for the Contract are listed online and can be accessed at <https://hhs.texas.gov/services/disability/independent-living-services>.

#### **6. Eligible Population**

Any person with a significant disability who resides in the state of Texas.

#### **7. Consumer Characteristics**

Grantee must be prepared to service all individuals of the population addressing consumers' needs to achieve ILS program goals and mission.

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**ATTACHMENT B-1**  
**PAYMENT FOR SERVICES PROVIDED**

**1. Basis for Calculating Reimbursement Costs**

HHSC will reimburse or make an advance payment to the Grantee for charges determined to be in compliance with and invoiced in accordance with ILS Outsource Program guidelines. The Grantee may request operating funds for no more than 90 days in advance or to be reimbursed for allowable costs already incurred.

Contractors that meet the Contract requirements may request advance payments certifying that the amount requested will not exceed 90 days' operating funds. If advanced funds are not expended during the quarter of the request, they must be adjusted on the next request.

**2. Payment for Services**

2.1 Except as otherwise provided by the provisions of the Contract, the payment method will be one or more of the following:

2.1.1 **Cost Reimbursement.** Service providers classified as cost reimbursement contracts are reimbursed for allowable incurred costs. Every 30 days' expenses will be reported using the HHSC ILS Invoice Workbook. The HHSC ILS Invoice Workbook and a signed monthly invoice should be submitted by the 10th of the month following the month the expenses were paid. Service providers classified as cost reimbursement contracts are not eligible to receive advance payments.

2.1.2 **Advance Payment.** Service providers classified as advance payment that meet the Contract requirements, may request advance payments. Advance payment for operating funds for no more than 90 days in advance may be requested each quarter. If advanced funds are not expended during the quarter of the request, they must be adjusted on the next request. Advance requests will be made using the HHSC ILS Invoice Workbook. The HHSC ILS Invoice Workbook and a signed Quarterly Advance, printed from the workbook, should be submitted when requesting an advance. In addition, the HHSC ILS Invoice Workbook and a signed monthly invoice should be submitted by the 5th of each month.

2.1.3 **Additional Monetary Allocation.** If additional funds are available, eligible service providers may be allocated the additional funds. If any additional funds are allocated to a service provider, the additional funds may be utilized by the service provider in any budget category identified in **Attachment H - Budget Workbook** to the Contract. Utilization of all funding will be reported by the service provider at the end of the fiscal year in the format prescribed by the agency.

2.2 If the service provider does not meet the requirements of the Contract, HHSC may:

- a. adjust payments;
- b. reimburse based on actual costs already incurred;
- c. require additional supporting documentation to make payments; or
- d. take other action as appropriate.

- 2.3 If reimbursement funds are requested, the HHSC ILS Invoice must be submitted to HHSC within ten days after the end of the month for which reimbursement is requested.
- 2.4 Notwithstanding any provision in this Contract to the contrary, the Parties acknowledge that Grantee has no right of reimbursement for Services performed and invoices are not properly payable under this Contract unless and until (i) System Agency has received funding approval from all funding sources for Services provided under this Contract and (ii) the Contract has been fully executed with signatures by an authorized representative of each Party. If System Agency does not receive the necessary approvals to fund this Contract in full or in part, System Agency will not be obligated to reimburse Contract for any and all Services performed by Contract during the Contract Term for which funding was not approved. Under those circumstances, System Agency will not be considered to be in default or breach under this Contract, nor will System Agency be liable for any damages or any expenses incurred by Contract due to System Agency's failure to reimburse.
- 2.5 Payment to Grantee shall be on a monthly basis. Grantee shall be paid only for Services and related expenses that are eligible for reimbursement under this Contract in accordance with federal and state laws and in accordance with the Contract's Budget.
- 2.6 Grantee shall ensure that:
- 2.6.1 Expenditures eligible for reimbursement under this Contract are expenses that have been:
- a. incurred in accordance with the Grantee's approved budget;
  - b. incurred within the Contract Term
  - c. deemed allowable in 2 C.F.R. Part 200, as codified by HHS at 45 C.F.R. part 75;
  - d. deemed allowable with the ILS Service Provider Standards; and
  - e. paid by or owed to the Grantee by the last day of the then-current Contract Term in accordance with the Grantee's method of accounting.
- 2.6.2 All costs are allocable, reasonable, necessary, and allowable under the federal cost principles governing nonprofits and incurred in accordance with the terms and conditions set forth in this Contract, prior to charging those expenditures to this Contract.
- 2.7 All payments by HHSC under this Contract will be made in accordance with the "Texas Prompt Payment Act," *Texas Government Code* Chapter 2251.

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