

**SIGNATURE DOCUMENT FOR
HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO. 529-17-0103-00002**

I. PURPOSE

The Health and Human Services Commission (“System Agency”), an administrative agency within the executive department of the State of Texas and having its principal office at Austin, Texas, and Ability Options LLC (“Contractor”), having its principal office at Houston, Texas (each a “Party” and collectively “the Parties”) enter into the following contract for Home and Community Based Services Adult Mental Health Recovery Management Entity services (MH/HCBS-AMH) (the “Contract”).

II. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions of HHSC Contracting Authority, which is Texas Health and Safety Code Chapters 12 and 1001 and Texas Government Code Chapter 531, Subchapter D, to the extent applicable.

III. DURATION

The Contract is effective on the signature date of the latter of the Parties to sign this contract, and terminates August 31, 2018, unless renewed, extended, or terminated pursuant to the terms and conditions of the Contract. System Agency, at its own discretion, may extend this Contract for up to four additional one-year period contract terms subject to terms and conditions mutually agreeable to the Parties.

IV. BUDGET

Contractor will be reimbursed as authorized by the System Agency. All expenditures under the Contract will be in accordance with **ATTACHMENT A, STATEMENT OF WORK.**

V. 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
P.O. Box 149347, Mail Code 2058
Austin, Texas, 78714-9347
Attention: Amy Hess, Contract Manager

Contractor

Ability Options LLC
14601 Bellaire Blvd., Ste. 70
Houston, TX 77083-2545
Attention: Martin Lutta, Manager

VI. LEGAL NOTICES

Any legal notice required under this Contract shall be deemed delivered when deposited by the System Agency either in the United States mail, postage paid, certified, return receipt requested; or with a common carrier, overnight, signature required, to the appropriate address below:

System Agency

Health and Human Services Commission
1100 49th Street, MC 1911
Austin, Texas 78756-3199
Attention: Lisa Hernandez, General Counsel

Contractor


Ability Options LLC
14601 Bellaire Blvd., Ste. 70
Houston, TX 77083-2545
Attention: Martin Lutta, Manager

Legal notice given by Contractor shall be deemed effective when received by the System Agency. Either Party may change its address for notice by written notice to the other Party.


SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE FOR SYSTEM AGENCY CONTRACT No. 529-17-0103-00002

SYSTEM AGENCY

DocuSigned by:

CDB9FD232D2A415... _____
Sonja Gaines
Medical and Social Services
Associate Commissioner
Community Services
IDD & BH Services
Date of execution: 2/20/2017 _____

ABILITY OPTIONS LLC

DocuSigned by:

48957B7E9495444... _____
Martin Lutta
Manager
Date of execution: 2/20/2017 _____

THE FOLLOWING ATTACHMENTS TO SYSTEM AGENCY CONTRACT No. 529-17-0103-00002 ARE HEREBY ATTACHED AND INCORPORATED BY REFERENCE:

- ATTACHMENT A – STATEMENT OF WORK**
- ATTACHMENT B – VENDOR GENERAL PROVISIONS**
- ATTACHMENT C – GENERAL AFFIRMATIONS**
- ATTACHMENT D – SUPPLEMENTAL AND SPECIAL CONDITIONS**
- ATTACHMENT E – FEDERAL ASSURANCES AND CERTIFICATIONS**
- ATTACHMENT F – SYSTEM AGENCY SOLICITATION No. OE#:537-15-0000139493**
- ATTACHMENT G – CONTRACTOR'S SOLICITATION RESPONSE**
- ATTACHMENT H – NON-EXCLUSIVE LIST OF APPLICABLE LAWS**
- ATTACHMENT I – HHS DATA USE AGREEMENT**

ATTACHMENTS FOLLOW

ATTACHMENT A STATEMENT OF WORK

I. CONTRACTOR RESPONSIBILITIES

The Health and Human Services Commission (“SYSTEM AGENCY”) is the Texas Medicaid Agency and had delegated operation of the Home and Community Based Services-Adult Mental Health Recovery Management (HCBS-AMH RM) Program to the Department of State Health Services (DSHS) as authorized by Texas Government Code §531.0055. The Contractor is hereby notified that the Contract and all functions associated with the Contract have been transferred by DSHS to SYSTEM AGENCY with all rights, responsibilities and obligations thereto, as provided in Texas Government Code, Section 531.0201. The HCBS-AMH Program is administered under Social Security Act §1915(i).

The HCBS-AMH program provides home and community-based services to adults with a diagnosis of serious mental illness (SMI) and have a history of at least one of the following additional criteria:

- A. Long-term psychiatric hospitalization(s);
- B. Frequent misdemeanor arrests and psychiatric crisis; and
- C. Frequent emergency department (ED) visits and psychiatric crisis.

The HCBS-AMH program provides an array of services appropriate to each individual’s needs to enable these individuals to live and experience successful tenure in their community.

Contractor shall comply with terms and conditions set forth in the most current version of the HCBS-AMH Provider Manual (Manual) located at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/Manuals.aspx>, which is incorporated by reference.

A key component in the HCBS-AMH program is HCBS-AMH Recovery Management. HCBS-AMH Recovery Management services include identifying, coordinating and monitoring the provision of HCBS-AMH services. Contractor shall provide HCBS-AMH Recovery Management services for seriously and persistently mentally ill adults enrolled in the HCBS-AMH program. HCBS-AMH Recovery Management services shall be provided in accordance with applicable federal and state laws, rules, regulations, and HCBS-AMH requirements. These include, but are not limited to:

- A. Code of Federal Regulations, Title 42, Parts 440, 441, 455 and 456;
- B. Code of Federal Regulations, Title 45, Parts 46, 80, 84, 90, and 91;
- C. Texas Administrative Code, Title 25, Part 1, Chapter 414;
- D. Applicable subchapters of Texas Administrative Code, Title 25, Part 1, Chapter 355;
- E. Laws, rules and regulations cited in the various sections of the Manual; and
- F. Any rules or regulations that are promulgated subsequent to the execution of this Program and that are applicable to Contractor’s provision of services under this Program.

ATTACHMENT A STATEMENT OF WORK

A. TARGET POPULATION

Contractor shall provide HCBS-AMH Recovery Management services to individuals enrolled in the HCBS-AMH program who are age 18 and older with a SMI. This population includes individuals Medicaid eligible or individuals that are indigent or ineligible for Medicaid. Additionally, individuals enrolled in the HCBS-AMH program have demonstrated a need to be enrolled in the HCBS-AMH program by meeting additional Functional Eligibility criteria identified through the Adult Needs and Strength Assessment (ANSA).

Contractor shall provide HCBS-AMH Recovery Management services to the population(s) indicated below:

- #1 Long-Term Hospitalization: Extended in-patient psychiatric hospitalization as defined by the Manual
- #2 Jail Diversion: Frequent arrests and psychiatric crisis as defined by the Manual.
- #3 Emergency Department (ED) Diversion: Frequent utilization of the ED and psychiatric crisis as defined by the Manual.

B. SERVICE AREA

Contractor shall provide HCBS-AMH Recovery Management services to enrolled individuals in the following counties: El Paso, Galveston, Brazoria, Harris, Austin, Waller, Colorado, Fort Bend, Wharton, and Matagorda.

C. HCBS-AMH RECOVERY MANAGEMENT SERVICES

1. Contractor shall provide HCBS-AMH Recovery Management services as outlined in this contract and in the Manual which includes but is not limited to the following:
 - a. Person-Centered Recovery Planning:
 - (1) Complete Person-Centered Recovery Planning online modules prior to the provision of HCBS-AMH RM services.; and
 - (2) Complete Person-Centered Recovery Planning in person training within three months of HCBS-AMH RM service provision.
 - b. Development of Individual Recovery Plan (IRP):
 - (1) Educate and inform the individual enrolled in the HCBS-AMH program about services, the individual recovery planning process, recovery resources, rights, and responsibilities;
 - (2) Obtain and review supporting documentation (assessment data, medical, psychiatric, criminal records) and make recommendations to be used as a guide in the independent recovery process; and
 - (3) Coordinate and develop the IRP using a person-centered planning approach which supports the individual enrolled in the HCBS-AMH program in directing and making informed choices according to the individual's needs and preferences.
 - c. Service coordination of HCBS-AMH services:

ATTACHMENT A STATEMENT OF WORK

- (1) Coordination with providers of HCBS-AMH services, Managed Care Organizations (MCO), providers of non-Medicaid services and if applicable, courts, probation or parole officers, hospital staff, and crisis service providers;
 - (2) Linkage to peer support programs, trainings and other resources to help the individual become fully integrated in his/her community of choice;
 - (3) Identify and facilitate service providers and brokers to obtain and integrate services and advocate to resolve issues that impede access to needed services;
 - (4) Develop/pursue resources to support the individual enrolled in the HCBS-AMH program's recovery goals including non-HCBS Medicaid, Medicare, and/or private insurance or other community resources;
 - (5) Actively coordinate with other individuals and/or service providers essential to physical and/or behavioral services for the individual enrolled in HCBS-AMH program (including their MCO) to ensure that other services are integrated and support their recovery goals, health, and welfare; and
 - (6) Provide linkage to training and counseling for individual enrolled in the HCBS-AMH program family support or unpaid caregivers;
- d. Advocacy/Support of the individual towards the individual's achievement of recovery goals:
- (1) Inform individual enrolled in the HCBS-AMH program of their consumer rights in area of housing, entitlements, and other services provided;
 - (2) Assist the individual enrolled in the HCBS-AMH program with fair hearing requests when needed and upon request; and
 - (3) Assist the individual enrolled in the HCBS-AMH program in navigating through transfer of services and discharge planning.
- e. Assistance with securing necessary resources for the individual's community tenure including housing, physical health, and entitlement assistance;:
- (1) Assist individual enrolled in the HCBS-AMH program with applying for and maintaining income source;
 - (2) Connect individual enrolled in the HCBS-AMH program with necessary resources to address legal, immigration and entitlement needs; and
 - (3) Assist the individual with accessing any other resources or services as outlined the Manual.
- f. Crisis Planning: Respond to and assesses emergency situations and incidents and provides appropriate crisis and referrals to respite services to ensure that appropriate actions are taken to protect the health, welfare, and safety of all individuals involved in these incidences.
- g. Monitoring and Ensuring Provision of Services: Initiate and facilitate recovery plan team discussions or meetings when services are not being achieved.
- h. When applicable, provide transitional services (recovery management inside the in-patient psychiatric facility) to maximize the individual enrolled in the HCBS-AMH program's readiness to transition effectively into the community.
- i. When applicable, provide recovery management services inside SYSTEM AGENCY approved facility which may include a nursing facility, a correctional facility, or a

ATTACHMENT A STATEMENT OF WORK

- crisis facility to maximize the individual enrolled in the HCBS-AMH program's readiness to transition effectively into the community.
2. Contractor shall collect and provide supporting documentation including, but not limited to progress notes, medical documentation, and mental health documentation to be considered in the independent evaluation and reevaluations and available upon request to SYSTEM AGENCY.
 3. Contractor shall document interactions with individuals and service providers and ensure individual's documents are kept in secure location to maintain confidentiality.
 4. Contractor shall assist the individual enrolled in the HCBS-AMH program in identifying and developing natural supports (family, friends, and other community members) and resources to promote the individual's recovery.
 5. Contractor shall monitor health, welfare, and safety through regular contacts (visits with the individual enrolled in the HCBS-AMH program, their paid and unpaid supports, and natural supports) at a minimum frequency required by SYSTEM AGENCY.
 6. Contractor shall review service provider documentation and monitors the individual enrolled in the HCBS-AMH's progress.
 7. Through the recovery plan monitoring process, Contractor shall solicit input from the individual enrolled in the HCBS-AMH program and/or their family, as appropriate, related to satisfaction with services.
 8. In the case of provider of last resort, Contractor shall have policy that keeps the HCBS-AMH Recovery Management role administratively separate from HCBS-AMH provider.
 9. Contractor shall arrange for modifications in services and service delivery, as necessary.
 10. Contractor shall advocate for continuity of services, system flexibility and integration, proper utilization of facilities and resources, accessibility, and beneficiary rights.
 11. Contractor shall participate in any SYSTEM AGENCY-identified activities related to quality oversight and provide reporting as required by SYSTEM AGENCY.
 12. Abide by applicable federal and state laws, regulations, and rules relating to activities listed above.
 13. Contractor shall comply with all SYSTEM AGENCY initiated on-site reviews, annually and as indicated.
 14. Contractor shall provide HCBS-AMH Recovery Management services as authorized by an enrolled individual's IRP.
 15. Contractor may not be the provider of other HCBS-AMH other services listed on the individual's IRP, unless the Contractor is the only willing and qualified entity in the service area who the individual chooses to provide the HCBS-AMH services. In these instances, the Contractor will become a provider of last resort; the only willing and qualified provider in a geographic area that the individual chooses to provide services. Contractor becoming a provider of last resort is contingent on Contractor executing a HCBS-AMH Provider contract with SYSTEM AGENCY.
 16. Contractor shall comply with the HCBS-AMH No Reject policy as outlined in Manual.
 17. Contractor must determine and report its capacity to serve individuals to SYSTEM AGENCY prior to the commencement of services. Direct service providers of HCBS-AMH Recovery Management are allowed to serve a maximum of 15 individuals at one time.

ATTACHMENT A STATEMENT OF WORK

18. Contractor shall not subcontract any provision of the HCBS-AMH Recovery Management services.
19. Contractor shall provide the following HCBS-AMH services in accordance with Texas Administrative Code Title 25, Part 1, Chapter 412, Subchapter G, Rule §412.316 regarding Competency and Credentialing and according to the service codes, descriptions, billing guidelines and provider qualifications in the Manual.
20. Contractor shall ensure compliance with Texas Administrative Code Title 25, Chapter 415, Subchapter F, Rule §415.257 in maintaining restrictive intervention training standards for all HCBS-AMH staff.

D. STAFFING

Contractor shall:

1. Ensure HCBS-AMH Recovery Management services are executed fully by the available qualified staff. Qualified HCBS-AMH Recovery Managers shall:
 - a. Have at least 2 years of experience working with people with severe mental illness;
 - b. Have a master's degree in human services or a related field;
 - c. Shall maintain minimum training standards for the evidence based practice(s) used in the delivery of the HCBS-AMH RM Services;
 - d. Comply with coaching and supervision standards; and
 - e. Have knowledge of issues affecting individuals with SMI and community-based interventions.
2. Maintain personnel records of HCBS-AMH Recovery Managers which shall include proof of HCBS-AMH Recovery Management credentialing and training and shall be available to SYSTEM AGENCY upon request.
3. Comply with SYSTEM AGENCY and other Texas licensing standards and certification principles and requirements to the extent applicable when providing HCBS-AMH Recovery Management services.

II. PERFORMANCE MEASURES

The SYSTEM AGENCY will monitor the Contractor's performance of the requirements in Attachment A and compliance with the Contract's terms and conditions, including without limitation the following:

Performance measures, to assess Contractor's effectiveness in providing the services described in this Program Contractor shall make required submittals in a format approved by SYSTEM AGENCY.

Contractor shall:

- A. Perform Recovery Management services set forth in Section I of this contract including:
 1. Comply with all applicable state and federal codes.

ATTACHMENT A STATEMENT OF WORK

2. Completing applicable trainings outlined in the Manual.
 3. Development of the IRP.
 4. Service Coordination of HCBS-AMH services.
 5. Advocacy and support of the individual toward their recovery goals.
 6. Assisting with securing necessary resources.
 7. Crisis planning.
 8. Monitoring and ensuring provision of services.
 9. Comply with the HCBS-AMH No Reject Policy outlined in the manual.
 10. Provide HCBS-AMH RM services directly and not via subcontractor.
 11. If Contractor is providing both HCBS-AMH RM and the HCBS-AMH service array, contractor shall comply with the Conflict of Interest Standards policy outlined in the Manual.
 12. If Contractor is the Provider of Last Resort, Contractor shall comply with Administrative Firewall Policy outlined in the Manual and make available to SYSTEM AGENCY, upon request, the following documentation:
 - a. Current administrative structure;
 - b. Documentation of provider selection process and individual's choice in provider; and
 - c. Current billing practices and parties responsible for submitting HCBS-AMH billing invoices.
- B. Provide SYSTEM AGENCY with the personnel files of identified HCBS-AMH Recovery Manager and alternate Recovery Manager prior to the provision of any HCBS-AMH services and upon request by SYSTEM AGENCY. Personnel files shall include:
1. Credentialing (including verification of licensure, qualifications, training requirements, and certification records for employees);
 2. Criminal History Background and Abuse Registry checks;
 3. Resume; and
 4. W-4 Forms of identified Recovery Managers.
- C. Inform SYSTEM AGENCY in writing within 1 business day if HCBS-AMH RM services to be provided becomes unavailable. If Contractor does not meet requirements of service provisions outlined in the Manual, Contractor shall:
1. Submit a Plan of Improvement (POI) using the POI Template located at <https://www.dshs.state.tx.us/mhsa/hcbs-amh/Reporting-Templates.aspx> which is incorporated by reference, no later than 14 business days after receipt of request from SYSTEM AGENCY.
 2. The POI shall adequately address the correction of organizational, clinical or compliance problems and shall include a description of local oversight activities to monitor and maintain the improvement of the identified problem.
- D. Provide a written notice within 10 days to SYSTEM AGENCY if any compliances made by Contractor in Section I.C (HCBS-AMH Recovery Management Services) made by Contractor in this Program are or have become inaccurate.
- E. Provide a point of contact for program, financial, and single point of contact a designated representative who can be reached after normal business hours. This information shall be provided to SYSTEM AGENCY within 7 days of execution of this Program. If changes in

ATTACHMENT A STATEMENT OF WORK

- personnel occur after the Program has been executed, the Contractor shall notify SYSTEM AGENCY within three business days.
- F. No later than the 20th day following the end of each quarter, Contractor shall provide SYSTEM AGENCY with copies of each final investigative report of Abuse, Neglect and Exploitation involving an individual enrolled in the HCBS-AMH program.
- G. Contractor shall submit quarterly reports utilizing the Quarterly Report Template located at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/Reporting-Templates.aspx>, which is incorporated by reference, no later than the 20th of the month following the end of each quarter, as indicated:
1. Quarterly Reporting Periods:
 - a. September 1st – November 30th
 - b. December 1st – February 28th
 - c. March 1st – May 31st
 - d. June 1st – August 31st
 2. Quarterly Reporting Data Elements: Contractor shall complete and submit the Quarterly Report Template located at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/Reporting-Templates.aspx> no later than the last day of the month following the reporting period. When quarterly reporting data elements are updated on the Quarterly Report Template, SYSTEM AGENCY will provide 90 days' notice to Contractor.
 3. Contractor shall complete and submit the Annual Report Template located at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/Reporting-Templates.aspx> no later than September 30th of each state fiscal year. Contractor shall use the most current Annual Report Template located at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/Reporting-Templates.aspx> to enter annual reporting elements. When annual reporting data elements are updated on the Annual Report Template, SYSTEM AGENCY will provide 90 days' notice to the Contractor.
- H. Contractor shall comply with the recovery management roles and responsibilities outlined in the Manual. Contractor shall submit ad hoc reports within five business days of request.
- I. All reports, documentation, and other information required of Contractor shall be submitted electronically to mhcontracts@dshs.state.tx.us, and your assigned contract manager. If SYSTEM AGENCY determines Contractor needs to submit deliverables by mail or fax, Contractor shall send the required information to one of the following addresses:

U.S. Postal Mail
Health and Human Services Commission
Mental Health Contracts Management Unit (Mail Code 2058)
P.O. Box 149347
Austin, TX 78714-9347

ATTACHMENT A STATEMENT OF WORK

Overnight Mail
Health and Human Services Commission
Mental Health Contracts Management Unit (Mail Code 2058)
909 West 45th Street, Bldg. 552
Austin, TX 78751
Fax: (512) 206-5307

III. INVOICE AND PAYMENT

- A. Contractor shall submit all expenditures for the previous month no later than the 15th of the following month. Contractor shall request monthly payments using the State of Texas Purchase Voucher (Form B-13) at <http://www.dshs.state.tx.us/grants/forms.shtm>, which is incorporated by reference. Contractor shall submit the following supporting documentation for reimbursement of the services/deliverables:
1. Form B-13, which at minimum shall include:
 - a. Name, address, and telephone number of Contractor;
 - b. SYSTEM AGENCY Contract Number;
 - c. SYSTEM AGENCY Purchase Order Number;
 - d. SYSTEM AGENCY Program ID;
 - e. Identification of service(s) provided;
 - f. Dates services were delivered;
 - g. Type of Entity; and
 - h. Total invoice amount.
 2. HCBS-AMH Billing Invoice (which can be downloaded at <http://www.dshs.state.tx.us/mhsa/hcbs-amh/billing>) which is incorporated by reference.
 3. Any additional supporting documentation which is required by this Contract or as requested by SYSTEM AGENCY.
- B. Contractor shall electronically submit all invoices with required or requested supporting documentation to the Claims Processing Unit at invoices@dshs.state.tx.us with a copy to hcbs-amh.services@dshs.state.tx.us, mhcontracts@dshs.state.tx.us, and the assigned Contract Manager.

Contractor shall include the following details in the subject line of the electronic submission:

1. Contractor Name;
2. Purchase Order Number (to be provided by SYSTEM AGENCY);
3. Contract Number;
4. Program ID (to be provided by SYSTEM AGENCY);
5. Month and Year of Service, and
6. Total Invoice Amount.

ATTACHMENT A STATEMENT OF WORK

Alternative submission arrangements shall be approved by the assigned SYSTEM AGENCY Contract Manager.

- C. Contractor agrees to accept the current HCBS-AMH reimbursement rates the schedule for which is located at <http://www.hhsc.state.tx.us/rad/long-term-svcs/amh/index.shtml>, which is incorporated by reference or the rate schedule as it may hereafter be amended, as payment in full for performance under this Contract and make no additional charge to the HCBS-AMH individual, any member of the HCBS-AMH individual's family or any other source, including a third-party payor, except as allowed by federal and state laws, rules, regulations and the Medicaid State Plan.

IV. FUNDING OBLIGATION

This Contract is contingent upon the availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment of the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, SYSTEM AGENCY may restrict, reduce or terminate funding under this Contract. Notice of any restriction or reduction shall include instructions and detailed information on how SYSTEM AGENCY shall fund the services and/or goods to be procured with the restricted or reduced funds.

V. USE OF FUNDS

SYSTEM AGENCY may implement an alternative reimbursement methodology using the rates set forth herein (or using the rates that exist at the time a contract is executed). This alternative methodology may include the use of a case rate based on expected lengths of stay.

Attachment B Vendor General Provisions

FISCAL YEAR 2015

SYSTEM AGENCY (SYSTEM AGENCY)

CORE VENDOR CONTRACT GENERAL PROVISIONS

ARTICLE I	CONTRACT COMPONENTS AND ORDER OF PRECEDENCE.....	4
SECTION 1.01	COMPLIANCE WITH STATUTES AND RULES.....	4
SECTION 1.02	ORDER OF PRECEDENCE.....	4
ARTICLE II	COMPLIANCE AND REPORTING	4
SECTION 2.01	COMPLIANCE	4
SECTION 2.02	PRECEDENCE OF CONTRACT TERMS.....	4
SECTION 2.03	EFFECT OF LEGISLATIVE CHANGES.....	4
SECTION 2.04	COMPLIANCE WITH REQUIREMENTS OF SOLICITATION DOCUMENT	4
SECTION 2.05	REPORTING	4
SECTION 2.06	APPLICABLE CONTRACTS LAW AND VENUE FOR DISPUTES.....	4
SECTION 2.07	STATUTES AND STANDARDS OF GENERAL APPLICABILITY	5
SECTION 2.08	APPLICABILITY OF GENERAL PROVISIONS TO INTERAGENCY AND INTERLOCAL CONTRACTS.....	6
SECTION 2.09	CIVIL RIGHTS POLICY AND COMPLAINTS.....	7
SECTION 2.10	LICENSES, CERTIFICATIONS, PERMITS, REGISTRATIONS AND APPROVALS.....	7
SECTION 2.11	FUNDING OBLIGATION	7
SECTION 2.12	WHISTLEBLOWER ACT PROTECTION.....	7
SECTION 2.13	FEDERAL ASSISTANCE IDENTIFICATION NUMBER	8
ARTICLE III	SERVICES	8
SECTION 3.01	EDUCATION TO PERSONS IN RESIDENTIAL FACILITIES.....	8
SECTION 3.02	DISASTER SERVICES.....	8
SECTION 3.03	CONSENT TO MEDICAL CARE OF A MINOR.....	8
SECTION 3.04	TELEMEDICINE MEDICAL SERVICES.....	8
SECTION 3.05	SERVICES AND INFORMATION FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY	9
ARTICLE IV	FUNDING.....	9
SECTION 4.01	DEBT TO STATE AND CORPORATE STATUS	9
SECTION 4.02	APPLICATION OF PAYMENT DUE.....	9
ARTICLE V	PAYMENT METHODS AND RESTRICTIONS	9
SECTION 5.01	PAYMENT METHODS.	9
SECTION 5.02	BILLING SUBMISSION.	10
SECTION 5.03	FINAL BILLING SUBMISSION	10
SECTION 5.04	THIRD PARTY PAYORS	10
SECTION 5.05	FINANCIAL STATUS REPORTS.....	10
ARTICLE VI	TERMS AND CONDITIONS OF PAYMENT.....	11
SECTION 6.01	PROMPT PAYMENT.	11
SECTION 6.02	PAYMENT BY DEPARTMENT	11
SECTION 6.03	WITHHOLDING PAYMENTS.....	11
ARTICLE VII	CONFIDENTIALITY	11
SECTION 7.01	MAINTENANCE OF CONFIDENTIALITY	11
SECTION 7.02	DEPARTMENT ACCESS TO PHI AND OTHER CONFIDENTIAL INFORMATION	11
SECTION 7.03	EXCHANGE OF CLIENT-IDENTIFYING INFORMATION.....	12
SECTION 7.04	SECURITY OF PATIENT OR CLIENT RECORDS	12
SECTION 7.05	HIV/AIDS MODEL WORKPLACE GUIDELINES.....	122
ARTICLE VIII	REQUIRED DISCLOSURES	12
SECTION 8.01	TEXAS PUBLIC INFORMATION ACT	12

Attachment B Vendor General Provisions

ARTICLE IX	RECORDS RETENTION	12
SECTION 9.01	RETENTION	12
ARTICLE X	ACCESS AND INSPECTION AND AUDIT OF RECORDS	13
SECTION 10.01	ACCESS	13
SECTION 10.02	STATE AUDITOR’S OFFICE	13
SECTION 10.03	RESPONDING TO DEFICIENCIES	13
ARTICLE XI	REPORTING REQUIREMENTS	13
SECTION 11.01	CHILD ABUSE REPORTING REQUIREMENT	13
SECTION 11.02	SIGNIFICANT INCIDENTS	14
SECTION 11.03	LITIGATION	14
SECTION 11.04	ACTION AGAINST THE CONTRACTOR	14
SECTION 11.05	INSOLVENCY	14
SECTION 11.06	PERFORMANCE MALFEASANCE	15
SECTION 11.07	CRIMINAL ACTIVITY AND DISCIPLINARY ACTION	15
SECTION 11.08	RETALIATION PROHIBITED	15
SECTION 11.09	DOCUMENTATION	15
ARTICLE XII	ASSURANCES AND CERTIFICATIONS	15
SECTION 12.01	CERTIFICATION	15
SECTION 12.02	CHILD SUPPORT DELINQUENCIES	16
SECTION 12.03	AUTHORIZATION	16
SECTION 12.04	GIFTS AND BENEFITS PROHIBITED	16
SECTION 12.05	INELIGIBILITY TO RECEIVE THE CONTRACT	17
SECTION 12.06	ANTITRUST	17
ARTICLE XIII	GENERAL BUSINESS OPERATIONS OF CONTRACTOR	17
SECTION 13.01	PROGRAM SITE	17
SECTION 13.02	HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)	17
SECTION 13.03	BUY TEXAS	18
SECTION 13.04	STATUS OF SUBCONTRACTORS	18
SECTION 13.05	INDEPENDENT CONTRACTOR	18
SECTION 13.06	AUTHORITY TO BIND	18
SECTION 13.07	TAX LIABILITY	18
SECTION 13.08	NOTICE OF ORGANIZATIONAL CHANGE	18
SECTION 13.09	NO ENDORSEMENT	18
ARTICLE XIV	GENERAL TERMS	18
SECTION 14.01	ASSIGNMENT	18
SECTION 14.02	LOBBYING	19
SECTION 14.03	CONFLICT OF INTEREST	19
SECTION 14.04	TRANSACTIONS BETWEEN RELATED PARTIES	19
SECTION 14.05	INTELLECTUAL PROPERTY	20
SECTION 14.06	OTHER INTANGIBLE PROPERTY	21
SECTION 14.07	SEVERABILITY AND AMBIGUITY	21
SECTION 14.08	LEGAL NOTICE	21
SECTION 14.09	SUCCESSORS	21
SECTION 14.10	HEADINGS	21
SECTION 14.11	PARTIES	21
SECTION 14.12	SURVIVABILITY OF TERMS	21
SECTION 14.13	CUSTOMER SERVICE INFORMATION	21
SECTION 14.14	AMENDMENT	21
SECTION 14.15	CONTRACTOR’S NOTIFICATION OF CHANGE TO CERTAIN CONTRACT PROVISIONS	22
SECTION 14.16	CONTRACTOR’S REQUEST FOR REVISION OF CERTAIN CONTRACT PROVISIONS	22
SECTION 14.17	IMMUNITY NOT WAIVED	22
SECTION 14.18	HOLD HARMLESS AND INDEMNIFICATION	22
SECTION 14.19	WAIVER	22
SECTION 14.20	ELECTRONIC AND INFORMATION RESOURCES ACCESSIBILITY AND SECURITY STANDARDS	22
SECTION 14.21	FORCE MAJEURE	24
SECTION 14.22	INTERIM CONTRACTS	24

Attachment B Vendor General Provisions

SECTION 14.23	COOPERATION AND COMMUNICATION.....	24
ARTICLE XV	BREACH OF CONTRACT AND REMEDIES FOR NON-COMPLIANCE.....	24
SECTION 15.01	ACTIONS CONSTITUTING BREACH OF CONTRACT	24
SECTION 15.02	GENERAL REMEDIES AND SANCTIONS	25
SECTION 15.03	NOTICE OF REMEDIES OR SANCTIONS.....	26
SECTION 15.04	EMERGENCY ACTION	26
ARTICLE XVI	CLAIMS AGAINST THE DEPARTMENT.....	27
SECTION 16.01	BREACH OF CONTRACT CLAIM	27
SECTION 16.02	NOTICE.....	27
SECTION 16.03	SOLE REMEDY	27
SECTION 16.04	CONDITION PRECEDENT TO SUIT	27
SECTION 16.05	PERFORMANCE NOT SUSPENDED.	27
ARTICLE XVII	TERMINATION AND TEMPORARY SUSPENSION.....	27
SECTION 17.01	EXPIRATION OF CONTRACTOR CONTRACT	28
SECTION 17.02	EFFECT OF TERMINATION OR EXPIRATION	28
SECTION 17.03	TERMINATION OR TEMPORARY SUSPENSION WITHOUT CAUSE.....	ERROR! BOOKMARK NOT DEFINED.
SECTION 17.04	IMMEDIATE TERMINATION	28
SECTION 17.05	EMERGENCY ACTION TERMINATION	28
SECTION 17.06	TERMINATION FOR CAUSE	28
SECTION 17.07	NOTICE OF TERMINATION.....	30
ARTICLE XVIII	VOID, SUSPENDED, AND TERMINATED CONTRACTS.....	30
SECTION 18.01	VOID CONTRACTS.	30
SECTION 18.02	EFFECT OF VOID, SUSPENDED, OR INVOLUNTARILY TERMINATED CONTRACT.....	30
SECTION 18.03	APPEALS RIGHTS.....	30
ARTICLE XIX	CLOSEOUT	30
SECTION 19.01	CESSATION OF SERVICES AT CLOSEOUT	30
SECTION 19.02	ADMINISTRATIVE OFFSET	30
SECTION 19.03	DEADLINE FOR CLOSEOUT	30
SECTION 19.04	PAYMENT OF REFUNDS.....	30
SECTION 19.05	DISALLOWANCES AND ADJUSTMENTS.....	31

Attachment B Vendor General Provisions

ARTICLE I CONTRACT COMPONENTS

Section 1.01 **Contract Components.** As used in herein, the “Contract” consists of the following documents:

- a. The Core Contract and its Contract(s) or statements of work, including all attachments, addenda or amendments;
- b. These General Provisions;
- c. The solicitation document, including all attachments, addenda or amendments; and the response, proposal or application submitted by Contractor in response to the solicitation document.

Section 1.02 **Order of Precedence.** To the extent that there is any conflict between the terms of any contract component document, the conflict shall be resolved in the above order of priority in Section 1.01.

ARTICLE II COMPLIANCE AND REPORTING

Section 2.01 **Compliance.** Contractor shall comply and shall require its subcontractor(s) to comply with the requirements of these general provisions and all other applicable state and federal statutes, regulations, rules and executive orders, as such statutes, regulations, rules and executive orders including as such statutes, regulations, rules and executive orders may be amended.

Section 2.02 **Precedence of Contract Terms.** To the extent this Contract imposes a higher standard or additional requirements beyond those required by applicable statutes, regulations, rules or executive orders, the terms of this Contract shall take precedence and control.

Section 2.03 **Effect of Legislative Changes.** Contractor agrees that upon notification from SYSTEM AGENCY Contractor shall comply with the any changes that terms SYSTEM AGENCY is required to include in its contracts that are a result of legislation during the term of this Contract.

Section 2.04 **Compliance with Requirements of Solicitation Document.** If applicable and except as specified in these General Provisions or the contract’s terms, the Contractor shall comply with the requirements, eligibility conditions, assurances, certifications and program requirements of the Solicitation Document for the duration of this Contract or any subsequent renewals. The Parties agree that the Department has relied upon Contractor’s response to the Solicitation Document. The Parties agree that any misrepresentation contained in Contractor’s response to the Solicitation Document constitutes a breach of this Contract and may result in termination.

Section 2.05 **Reporting.** Contractor shall submit reports in accordance with the reporting requirements established by the Department and provided for in the contract. Contractor shall also provide any other information requested by the Department in the format required by SYSTEM AGENCY. Failure to submit any required report or additional requested information by the due date specified in the contract or upon request may constitute a breach of contract and result in delayed payment and/or the imposition of sanctions and remedies. And failure to comply with a reporting requirement may adversely affect evaluation of Contractor’s ability to contract in the future with the Department.

Section 2.06 **Applicable Contracts Law and Venue for Disputes.** Except as provided for in Article XV, all issues related to this contract, including formation, performance and interpretation that may arise in any dispute between the Parties shall be governed by and construed in accordance with the laws of the State of Texas and venue shall be Travis County, Texas.

Attachment B Vendor General Provisions

Section 2.07 Statutes and Standards of General Applicability. Contractor is responsible for reviewing and complying with all applicable statutes, rules, regulations, executive orders and policies. To the extent applicable to Contractor, Contractor shall comply with the following:

The following statutes, rules, regulations, and SYSTEM AGENCY policy (and any of their subsequent amendments) that collectively prohibit discrimination, exclusion from or limitation of participation in programs, benefits or activities or denial of any aid, care, service or other benefit on the basis of race, color, national origin, limited English proficiency, sex, sexual orientation (where applicable), disabilities, age, substance abuse, political belief or religion: 1) Title VI of the Civil Rights Act of 1964, 42 USC §§ 2000d et seq.; 2) Title IX of the Education Amendments of 1972, 20 USC §§ 1681-1683, and 1685-1686; 3) Section 504 of the Rehabilitation Act of 1973, 29 USC § 794(a); 4) the Americans with Disabilities Act of 1990, 42 USC §§ 12101 et seq.; 5) Age Discrimination Act of 1975, 42 USC §§ 6101-6107; 6) Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, 42 USC § 290dd (b)(1); 7) 45 CFR Parts 80, 84, 86 and 91; 8) U.S. Department of Labor, Equal Employment Opportunity E.O. 11246; 9) Texas Labor Code Chapter 21; 10) Food Stamp Act of 1977 (7 USC §§ 200 et seq.); 11) Executive Order 13279, 45 CFR Part 87 or 7 CFR Part 16 regarding equal treatment and opportunity for religious organizations; (12) Drug Abuse Office and Treatment Act of 1972, 21 USC §§ 1101 et seq., relating to drug abuse; (13) Public Health Service Act of 1912, §§ 523 and 527, 42 USC § 290dd-2, and 42 CFR pt. 2, relating to confidentiality of alcohol and drug abuse patient records; (14) Title VIII of the Civil Rights Act of 1968, 42 USC §§ 3601 et seq., relating to nondiscrimination in housing; and (15) SYSTEM AGENCY Policy AA-5018, Non-discrimination Policy for SYSTEM AGENCY Programs;

Immigration Reform and Control Act of 1986, 8 USC § 1324a, and Immigration Act of 1990, 8 USC 1101 et seq., as amended by Public Law 113-4 (March 7, 2013), regarding employment verification; and Illegal Immigration Reform and Immigrant Responsibility Act of 1996;

Pro-Children Act of 1994, 20 USC §§ 6081-6084, and the Pro-Children Act of 2001, 20 USC § 7183, regarding the non-use of all tobacco products;

National Research Service Award Act of 1971, 42 USC §§ 289a-1 et seq., and 6601 (P.L. 93-348 and P.L. 103-43), regarding human subjects involved in research;

Hatch Political Activity Act, 5 USC §§ 1501-1508 and 7324-26, which limits the political activity of employees whose employment is funded with federal funds;

Fair Labor Standards Act, 29 USC §§ 201 et seq., and the Intergovernmental Personnel Act of 1970, 42 USC §§ 4701 et seq., as applicable, concerning minimum wage and maximum hours;

Texas Government Code Chapter 469, pertaining to eliminating architectural barriers for persons with disabilities;

Texas Workers' Compensation Act, Texas Labor Code Chapters 401-406, and 28 Texas Administrative Code (TAC) pt. 2, regarding compensation for employees' injuries;

The Clinical Laboratory Improvement Amendments of 1988, 42 USC § 263a, regarding the regulation and certification of clinical laboratories;

The Occupational Safety and Health Administration Regulations on Blood Borne Pathogens, 29 CFR § 1910.1030, or Title 25 Texas Administrative Code Chapter 96 regarding safety standards for handling blood borne pathogens;

Laboratory Animal Welfare Act of 1966, 7 USC §§ 2131 et seq., pertaining to the treatment of laboratory animals;

Environmental standards pursuant to the following: 1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969, 42 USC §§ 4321-4347 and Executive Order 11514 (35 Fed. Reg. 4247),

Attachment B Vendor General Provisions

“Protection and Enhancement of Environmental Quality;” 2) Notification of violating facilities pursuant to Executive Order 11738 (40 CFR Part 32), “Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal Contracts, Grants, or Loans;” 3) Protection of wetlands pursuant to Executive Order 11990, 42 Fed. Reg. 26961; 4) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988, 42 Fed. Reg. 26951 and, if applicable, flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234); 5) Assurance of project consistency with the approved State Management program developed under the Coastal Zone Management Act of 1972, 16 USC §§ 1451 et seq.; 6) Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; 7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, 42 USC §§ 300f-300j; 8) Protection of endangered species under the Endangered Species Act of 1973, 16 USC §§ 1531 et seq.; 9) Conformity of federal actions to state clean air implementation plans under the Clean Air Act of 1955, 42 USC §§ 7401 et seq.; 10) Wild and Scenic Rivers Act of 1968, 16 USC §§ 1271 et seq., related to protecting certain rivers system; and 11) Lead-Based Paint Poisoning Prevention Act, 42 USC §§ 4822 et seq., prohibiting the use of lead-based paint in residential construction or rehabilitation;

Intergovernmental Personnel Act of 1970, 42 USC §§ 4278-4763, regarding personnel merit systems for programs specified in Appendix A of the federal Office of Program Management’s Standards for a Merit System of Personnel Administration, 5 CFR Part 1200 et seq;

Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), 42 USC §§ 4601 et seq, relating to fair treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs;

Davis-Bacon Act, 40 USC §§ 276a to 276a-7; the Copeland Act, 40 USC §§ 276c and 18 USC § 874; and the Contract Work Hours and Safety Standards Act, 40 USC §§ 327-333, regarding labor standards for federally-assisted construction subagreements;

National Historic Preservation Act of 1966, § 106, 16 USC § 470; Executive Order 11593; and the Archaeological and Historic Preservation Act of 1974 (16 USC §§ 469a-1 et seq.) regarding historic property to the extent necessary to assist SYSTEM AGENCY in complying with the Acts;

Trafficking Victims Protection Act of 2000, Section 106(g) (22 USC § 7104);

Executive Order, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, if required by a federal funding source of this Contract;

Whistleblower Protection Enhancement Act (5 U.S.C. 2302(b)(8)) and Texas Whistleblower Act (Texas Government Code Chapter 554); and

Requirements of any other applicable state and federal statutes, executive orders, regulations, rules and policies.

If this Contract is funded by a federal grant or cooperative agreement, additional state or federal requirements found in the Notice of Grant Award are imposed on Contractor and incorporated herein by reference. Contractor may obtain a copy of any applicable Notice of Grant Award from the contract manager assigned to the Contract.

Section 2.08 **Applicability of General Provisions to Interagency and Interlocal Contracts.** SYSTEM AGENCY has the authority to enter into:

- a. Interagency Cooperation Contracts (Texas Government Code Chapter 771) with state agencies and institutions of higher education; and
- b. Interlocal Cooperation Contracts (Texas Government Code Chapter 79) with local governmental entities.

The following sections or portions of sections of these General Provisions shall not apply to interagency or interlocal General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

contracts:

Hold Harmless and Indemnification, Section 12.18;
Independent Contractor, Section 11.05 ,
Historically Underutilized Businesses (HUBs), Section 11.02 (Contractor, however, shall comply with HUB requirements of other statutes and rules specifically applicable to that entity;
Debt to State and Corporate Status, Section 3.01;
Application of Payment Due, Section 3.02; and
Article XIV, Claims against the Department.

The following additional provisions shall apply to Interlocal Cooperation Contracts:

- a. Payments made by SYSTEM AGENCY to Contractor shall be from current revenues available to SYSTEM AGENCY; and
- b. Each Party represents that it has been authorized to enter into this Contract.

Section 2.09 Civil Rights Policy and Complaints. Upon request, Contactor shall provide the Health and Human Services Commission (HHSC) Civil Rights Office with copies of all Contractor's civil rights policies and procedures. Contractor shall notify HHSC's Office of Civil Rights of any civil rights complaints received relating to performance under this Contract no more than ten calendar days after Contractor's receipt of the claim. Notice must be directed to:

Civil Rights Office
Health and Human Services Commission
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
(888) 388-6332 or 512-438-4313
TTY Toll-free (877) 432-7232
HHSCivilRightsOffice@hhsc.state.tx.us

Section 2.10 Licenses, Certifications, Permits, Registrations and Approvals. Contractor shall obtain and maintain all applicable licenses, certifications, permits, registrations and approvals to conduct its business and to perform the services under this Contract. Failure to obtain or any revocation, surrender, expiration, non-renewal, inactivation or suspension of any such license, certification, permit, registration or approval constitutes grounds for termination of this Contract or other remedies the Department deems appropriate. Contractor shall ensure that all its employees, staff and volunteers obtain and maintain in active status all licenses, certifications, permits, registrations and approvals required to perform their duties under this Contract and shall prohibit any person who does not hold a current, active required license, certification, permit, registration or approval from performing services under this Contract.

Section 2.11 Funding Obligation. This Contract is contingent upon the availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment of the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, SYSTEM AGENCY may restrict, reduce or terminate funding under this Contract. Notice of any restriction or reduction shall include instructions and detailed information on how SYSTEM AGENCY shall fund the services and/or goods to be procured with the restricted or reduced funds.

Section 2.12 Whistleblower Act Protection. This Contract is required to include the whistleblower act protections to grantees, their subgrantees and subcontractors, and contractor must inform their employees of whistleblowers' rights and remedies. The requirement is in effect for all grants, contracts, subgrants, and subcontractors issued beginning July 1, 2013 through January 1, 2017.

Attachment B Vendor General Provisions

Section 2.13 **Federal Assistance Identification Number.** This Contract is required to include the Federal Assistance Identification Number (FAIN) on each subaward under a Federal award to enable reporting of expenditures according to the FAIN for improved accuracy. As a term and condition of the award, Federal agencies must require that all recipients document the assigned FAIN on each subaward under the Federal award.

ARTICLE III SERVICES

Section 3.01 **Education to Persons in Residential Facilities.** If applicable, Contractor shall ensure that all persons, who are housed in Department-licensed and/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.

Section 3.02 **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 SYSTEM AGENCY in providing services, as appropriate, in the following areas:

- 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.

Contractor shall carry out disaster services in the manner most responsive to the needs of the emergency, be cost-effective, and be least intrusive on Contractor's primary services.

Section 3.03 **Consent to Medical Care of a Minor.** If Contractor provides medical, dental, psychological or surgical treatment to a minor under this Contract, either directly or through contracts with subcontractors, Contractor shall not provide treatment of a minor unless informed consent to treatment is obtained pursuant to Texas Family Code Chapter 32, relating to consent to treatment of a child by a non-parent or the child or pursuant to other state law. If requirements of federal law relating to consent directly conflict with this Chapter, then federal law supersedes state law.

Section 3.04 **Telemedicine Medical Services.** Contractor shall ensure that if Contractor or its subcontractor uses telemedicine/telepsychiatry that the services are implemented in accordance with written procedures and using a protocol approved by Contractor's medical director and using equipment that complies with the equipment standards as required by the Department. 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;

Attachment B Vendor General Provisions

- 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 TAC Rule § 448.911.

Section 3.05 Services and Information for Persons with Limited English Proficiency. 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.

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. 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.

ARTICLE IV FUNDING

Section 4.01 Debt to State and Corporate Status. Pursuant to Texas Government Code § 403.055, the Department shall not approve and Texas Comptroller of Public Accounts shall not issue payment to Contractor if Contractor is indebted to the State for any reason, including a tax delinquency.

Contractor, if a corporation, certifies by execution of this Contract that it is current and shall remain current in its payment of franchise taxes to the State of Texas or that it is exempt from payment of franchise taxes under Texas law (Texas Tax Code §§ 171.001 et seq.). As a corporation, this Contractor further certifies that it is and shall remain in good standing with the Secretary of State's office.

A false statement regarding franchise tax or corporate status is a material breach of this Contract. If franchise tax payments become delinquent during the Contract term, all or part of the payments under this Contract may be withheld until Contractor's delinquent franchise tax is paid in full.

Section 4.02 Application of Payment Due. Contractor agrees that any payments due under this Contract shall be applied towards any debt of Contractor, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

ARTICLE V PAYMENT METHODS AND RESTRICTIONS

Section 5.01 Payment Methods. Except as otherwise provided by the provisions of this Contract, the payment method for each Contract shall be unit rate/fee for service. This payment method is based on a fixed price or a specified rate or fee for delivery of a specified unit of service, as stated in the Contract and acceptable submission of all required documentation, reports, forms and/or deliverables.

Attachment B Vendor General Provisions

Section 5.02 Billing Submission. Contractors shall bill the Department in accordance with the Contract in the form and format prescribed by SYSTEM AGENCY. Unless otherwise specified in the Contract or permitted under the Third Party Payors section of this Article, Contractor shall submit requests for payment monthly by the last business day of the month following the end of the month covered by the bill. Contractor shall maintain all documentation that substantiates billing submissions and make the documentation available to SYSTEM AGENCY upon request.

Section 5.03 Final Billing Submission. Unless otherwise provided by the Department, Contractor shall submit a reimbursement or payment request as a final close-out bill not later than 45 calendar days following the end of the term of the Contract for goods received and services provided by the Contractor. If necessary to meet this deadline, Contractor may submit reimbursement or payment requests by facsimile transmission.

Reimbursement or payment requests received in SYSTEM AGENCY's offices more than 45 calendar days following the end of the applicable term shall not be paid. Consideration of requests for an exception shall be made on a case-by-case basis, subject to the availability of funding, and only for an extenuating circumstance, such as a catastrophic event, natural disaster or criminal activity that substantially interferes with normal business operations or causes damage or destruction of a place of business and/or records. A written statement describing the extenuating circumstance and the last request for reimbursement must be submitted for review and approval to the SYSTEM AGENCY Accounting Section.

Section 5.04 Third Party Payors. A third party payor is 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.

Except as provided in this Contract, Contractor shall screen all clients and shall not bill the Department for services eligible for reimbursement from third party payors.

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 Department 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 Department for the deductible;
- d. Not bill the Department for any services eligible for third party reimbursement until all appeals to third party payors have been exhausted, in which case the thirty day requirement in the Billing Submission section shall be extended until all such appeals 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 Department; and
- g. Provide third party billing functions at no cost to the client.

Section 5.05 Financial Status Reports (FSRs). Except as otherwise provided in these General Provisions or in the terms of Contracts, if a contract has a categorical budget, Contractor shall submit quarterly FSRs to Accounts Payable by the last business day of the month following the end of each quarter of the Contract term for Department review and financial assessment. Contractor shall submit the final FSR no later than 45 calendar days following the end of the Contract term.

Attachment B
Vendor General Provisions

ARTICLE VI TERMS AND CONDITIONS OF PAYMENT

Section 6.01 **Prompt Payment.** Upon receipt of a timely, undisputed invoice pursuant to this Contract, Department shall pay Contractor. Payments are contingent upon a signed Contract and shall not exceed the total amount of authorized funds under this Contract. Contractor is entitled to payment only if the service, work, and/or product has been authorized by the Department and performed or provided pursuant to this Contract. If those conditions are met, Department shall make payment in accordance with the Texas Prompt Payment Act, Texas Government Code Chapter 2251. Contractor shall also certify that it shall comply with the provisions in this Chapter regarding its prompt payment obligations to its subcontractors.

Section 6.02 **Payment by Department.** Payment of invoices by the Department shall not constitute acceptance or approval of Contractor’s performance nor foreclose the right of the Department and HHSC to recover excessive or illegal payments. All invoices and Contractor’s performance are subject to review and audit by the Department.

Section 6.03 **Withholding Payments.** Department may withhold all or part of any payments to Contractor to offset overpayments that Contractor has not refunded to Department. Department may take repayment from funds due to the Contractor for services performed or goods delivered in amounts necessary to fulfill Contractor’s repayment obligations.

ARTICLE VII CONFIDENTIALITY

Section 7.01 **Maintenance of Confidentiality.** Contractor must maintain the privacy and confidentiality of information and records received during or related to the performance of this Contract, including patient and client records that contain protected health information (PHI) and any other information that discloses confidential personal information or identifies any client served by SYSTEM AGENCY in accordance with applicable federal and state law, rules and regulations, including but not limited to:

- a. 7 Code of Federal Regulations (CFR) Part 246; 42 CFR Part 2, 45 CFR Parts 160 and 164 (Health Insurance Portability and Accountability Act [HIPAA]);
- b. Texas Health and Safety Code Chapters 12, 47, 81, 82, 85, 88, 92, 161, 181, 241, 245, 251, 534, 576, 577, 596, 611 and 773;
- c. Texas Occupations Code, Chapters 56 and 159; and
- d. Any other applicable federal and state laws, rules or regulations.

The HHS Data Use Agreement (Version 8.3) at <https://hhs.texas.gov/sites/hhs/files/documents/doing-business-with-hhs/contracting/data-use-agreement.pdf> is incorporated as part of the Contract and describes Contractor’s rights and obligations with respect to the Confidential Information and the limited purposes, for which the Contractor may create, receive, maintain, use, disclose or have access to Confidential Information. For the purpose of this Contract, the:

Contractor does not access Confidential Information and does not have to comply with HHS Data Use Agreement (Version 8.3); or

Contractor accesses Confidential Information and agrees to comply with the HHS Data Use Agreement (Version 8.3).

Section 7.02 **Department Access to PHI and Other Confidential Information.** Contractor shall cooperate with Department to allow Department to request, collect and receive PHI and other confidential information under this Contract, without the consent of the individual to whom the PHI relates, for funding, payment and administration of the grant program and for purposes permitted under applicable state and federal confidentiality and privacy laws.

General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

Section 7.03 **Exchange of Client-Identifying Information.** Except as prohibited by other law, Contractor and SYSTEM AGENCY shall exchange PHI without the consent of clients in accordance with 45 CFR § 164.504(e)(3)(i)(B), Texas Health and Safety Code § 533.009 and 25 TAC Chapter 414, Subchapter A or any other applicable federal or state laws, rules or regulations.

Contractor shall disclose information described in Texas Health and Safety Code § 614.017(a)(2) relating to special needs offenders, to an agency described in Texas Health and Safety Code § 614.017(c) upon request of that agency, unless Contractor documents that the information is not allowed to be disclosed under 45 CFR Part 164 or other applicable law.

Section 7.04 **Security of Patient or Client Records.** Contractor shall ensure that patient and client records are managed in compliance with state and federal law relating to security and retention of medical or mental health and substance abuse patient and client records. Department may require Contractor to transfer original or copies of patient and client records to Department, without the consent or authorization of the patient or client, upon termination of this Contract or a Contract to this Contract, as applicable, or if the care and treatment of the individual patient or client is transferred to another entity. Prior to providing services funded under this Contract to a patient or client, Contractor shall attempt to obtain consent from the patient or client to transfer copies of patient or client records to another entity funded by SYSTEM AGENCY upon termination of this Contract or a Contract to this Contract, as applicable or if care or treatment is transferred to another SYSTEM AGENCY-funded contractor.

Section 7.05 **HIV/AIDS Model Workplace Guidelines.** If providing direct client care, services, or programs, Contractor shall implement Department's policies based on the HIV/AIDS (human immunodeficiency virus/acquired immunodeficiency syndrome), AIDS Model Workplace Guidelines for Businesses, 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 and Safety Code §§ 85.112-114. A link to the Model Workplace Guidelines can be found at: <http://www.dshs.state.tx.us/hivstd/policy/policies.shtm>.

ARTICLE VIII REQUIRED DISCLOSURES

Section 8.01 **Texas Public Information Act.** Notwithstanding any provision herein to the contrary, the Contractor understands that SYSTEM AGENCY shall comply with the Texas Public Information Act, Texas Government Code Chapter 552, as interpreted by judicial opinions and the opinions and open records decisions of the Office of the Attorney General.

If the Contractor is not a state agency, institution of higher education or other governmental entity, then the Contractor is required to make any information created or exchanged with the state pursuant to a contract, which is not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.

ARTICLE IX RECORDS RETENTION

Section 9.01 **Retention.** Contractor shall retain and preserve records in accordance with applicable state and federal statutes, rules and regulations. At a minimum, Contractor shall maintain all records, including but not limited to financial that are generated or collected by Contractor under the provisions of this Contract for a period of four years after the termination of this Contract.

If services are funded through Medicaid, the federal retention period, if more than four years, shall apply.

Contractor shall retain all records pertaining to this Contract that are the subject of litigation or an audit until the
General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

litigation has ended or all questions pertaining to the audit are resolved.

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

Contractor shall include this provision concerning records retention in any subcontract it awards. If Contractor ceases business operations, it shall ensure that records relating to this Contract are securely stored and are accessible by the Department upon Department's request for at least four years from the date Contractor ceases business or from the date this Contract terminates, whichever is sooner.

Contractor shall provide, and update as necessary, the name and address of the party responsible for storage of records to the contract manager assigned to this Contract.

ARTICLE X ACCESS, INSPECTION AND AUDIT OF RECORDS

Section 10.01 **Access and Inspection.** In addition to any right of access arising by operation of law, Contractor and any of Contractor's affiliate or subsidiary organizations or subcontractors shall permit the Department or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, including the Comptroller General of the United States, the Office of the Inspector General at HHSC (OIG) and the State Auditor's Office (SAO) or any of their successor agencies, unrestricted access to and the right to examine any site where business is conducted or client services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If deemed necessary by the Department or the OIG, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract. The Department and HHSC shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings.

Contractor shall make available to the Department information collected, assembled or maintained by Contractor relative to this Contract for the Department to respond to requests that it receives under the Public Information Act. Contractor shall include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any subcontract it awards.

Section 10.02 **State Auditor's Office.** Contractor shall, upon request, make all records, books, papers, documents, or recordings related to this Contract available for inspection, audit, or reproduction during normal business hours to any authorized representative of the SAO. Contractor understands that the acceptance of funds under this Contract acts as acceptance of the authority of the SAO, or any successor agency, to conduct an audit or investigation in connection with those funds. Contractor shall cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested, and providing access to any information the SAO considers relevant to the investigation or audit. The SAO's authority to audit funds shall apply to Contract funds disbursed by Contractor to its subcontractors, and Contractor shall include this provision concerning the SAO's authority to audit and the requirement to cooperate, in any subcontract Contractor awards.

Section 10.03 **Responding to Deficiencies.** Any deficiencies identified by SYSTEM AGENCY or HHSC upon examination of Contractor's records or during an inspection of Contractor's site shall be conveyed in writing to Contractor. Contractor shall submit, by the date prescribed by SYSTEM AGENCY, a resolution to the deficiency identified in a site inspection, program review or management or financial audit to the satisfaction of SYSTEM AGENCY or, if directed by SYSTEM AGENCY, a corrective action plan to resolve the deficiency. A SYSTEM AGENCY or HHSC determination of either an inadequate or inappropriate resolution of the findings may result in contract remedies or sanctions under the Breach of Contract and Remedies for Non-Compliance Article of these General Provisions.

Attachment B
Vendor General Provisions
ARTICLE XI REPORTING REQUIREMENTS

Section 11.01 **Child Abuse Reporting Requirement.** This section applies to mental health and substance abuse contractors and contractors for the following public health programs:

- a. Human Immunodeficiency Virus/Sexually Transmitted Diseases (HIV/STD);
- b. Family Planning (Titles V, X and XX);
- c. Primary Health Care;
- d. Maternal and Child Health; and
- e. Women, Infants and Children (WIC) Nutrition Services.

All Contractors shall comply with child abuse reporting guidelines and requirements in Texas Family Code Chapter 261 relating to investigations of reports of child abuse and neglect.

Contractor shall develop, implement and enforce a written policy that includes at a minimum the Department's Child Abuse Screening, Documenting, and Reporting Policy for Contractors/Providers and train all staff on reporting requirements.

Contractor shall use the SYSTEM AGENCY Child Abuse Reporting Form located at www.DSHS.state.tx.us/childabusereporting as required by the Department. Contractor shall retain reporting documentation on site and make it available for inspection by SYSTEM AGENCY.

This section is in addition to and does not supersede any other legal obligation of the Contractor to report child abuse.

Section 11.02 **Significant Incidents.** In addition to notifying the appropriate authorities, Contractor shall report to the contract manager assigned to the Contract significant incidents involving substantial disruption of Contractor's program operation or affecting or potentially affecting the health, safety or welfare of Department-funded clients or participants within 72 hours of discovery.

Section 11.03 **Litigation.** Contractor shall notify the contract manager assigned to the Contract of litigation related to or affecting this Contract and to which Contractor is a party within seven calendar days of becoming aware of such a proceeding. This includes, but is not limited to an action, suit or proceeding before any court or governmental body, which includes but is not limited to environmental and civil rights matters, professional liability and employee litigation. Notification must include the names of the parties, nature of the litigation and remedy sought, including amount of damages, if any.

Section 11.04 **Contract or License Action Against the Contractor.** Contractor shall notify the contract manager assigned to the contract if Contractor has had a contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within three working days of the suspension or termination. Such notification must include the:

- 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 contract;
- d. Date of suspension or termination; and
- e. Contract or case reference number.

If Contractor has surrendered its license or has had its license suspended or revoked by any local, state or federal department or agency or non-profit entity, it shall disclose this information within three working days of the surrender, suspension or revocation to the contract manager assigned to the Contract by submitting a one-page description that includes the:

Attachment B Vendor General Provisions

- 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.

Section 11.05 **Insolvency.** Contractor shall notify in writing the contract manager assigned to the Contract of Contractor's insolvency, incapacity or outstanding unpaid obligations to the Internal Revenue Service (IRS) or Texas Workforce Commission (TWC) within three working days of the date of determination that Contractor is insolvent or incapacitated or the date Contractor discovered an unpaid obligation to the IRS or TWC. The Contractor shall also notify in writing the contract manager assigned of its plan to seek bankruptcy protection within three working days of such action by Contractor.

Section 11.06 **Performance Malfeasance.** Contractor shall report to the contract manager assigned to the Contract any knowledge of debarment, suspected fraud or unlawful activity related to performance under this Contract. Contractor shall make such report no later than three working days from the date that Contractor has knowledge or reason to believe such activity has taken place. Additionally, if this Contract is federally funded by the Department of Health and Human Services (HHS), Contractor shall report any credible evidence that a principal, employee, subcontractor or agent of Contractor, or any other person, has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Contractor shall make this report to the SAO at <http://sao.fraud.state.tx.us>, and to the HHS Office of Inspector General at <http://www.oig.hhs.gov/fraud/hotline/> no later than three working days from the date that Contractor has knowledge or reason to believe such activity has taken place.

Section 11.07 **Criminal Activity and Disciplinary Action.** Contractor affirms that no person who has an ownership or controlling interest in the organization or who is an agent or managing employee of the organization has been placed on community supervision, received deferred adjudication, is presently indicted for or has been convicted of a criminal offense related to any financial matter, federal or state program or felony sex crime.

Contractor shall notify in writing the contract manager assigned to the Contract if it has reason to believe Contractor, or a person with ownership or controlling interest in the organization or who is an agent or managing employee of the organization, an employee or volunteer of Contractor, or a subcontractor providing services under this Contract has engaged in any activity that would constitute a criminal offense equal to or greater than a Class A misdemeanor or if such activity would reasonably constitute grounds for disciplinary action by a state or federal regulatory authority, or has 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.

Contractor shall make the reports required by this section no later than three working days from the date that Contractor has knowledge or reason to believe such activity has taken place.

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 by SYSTEM AGENCY.

Section 11.08 **Retaliation Prohibited.** Contractor shall not retaliate against any person who reports a violation of, or cooperates with an investigation regarding, any applicable law, rule, regulation or standard to the Department, another state agency, or any federal, state or local law enforcement official.

Section 11.09 **Documentation.** Contractor shall maintain appropriate documentation of all notices and

Attachment B Vendor General Provisions

reporting to SYSTEM AGENCY as required under these General Provisions.

ARTICLE XII ASSURANCES AND CERTIFICATIONS

Section 12.01 **Certification.** Contractor certifies by execution of this Contract to the following:

It is not disqualified under 2 CFR § 376.935 or ineligible for participation in federal or state assistance programs;

Neither it, nor its principals, are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal or state department or agency in accordance with 2 CFR Parts 376 and 180 (parts A-I), 45 CFR Part 76 (or comparable federal regulations);

It has not knowingly failed to pay a single substantial debt or a number of outstanding debts to a federal or state agency;

It is not subject to an outstanding judgment in a suit against Contractor for collection of the balance of a debt;

It is in good standing with all state and/or federal agencies that have a contracting or regulatory relationship with Contractor;

That no person who has an ownership or controlling interest in Contractor or who is an agent or managing employee of Contractor has been convicted of a criminal offense related to involvement in any program established under Medicare, Medicaid, or a federal block grant;

Neither it, nor its principals have within the three year period preceding this Contract, has been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a private or public (federal, state or local) transaction or contract under a private or public transaction, violation of federal or state antitrust statutes (including those proscribing price-fixing between competitors, allocation of customers between competitors and bid-rigging), or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or false claims, tax evasion, obstruction of justice, receiving stolen property or any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of Contractor or its principals;

Neither it, nor its principals is presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with the commission of any of the offenses enumerated in subsection g) of this section; and

Neither it, nor its principals within a three year period preceding this Contract has had one or more public transaction (federal, state or local) terminated for cause or default.

Contractor shall include the certifications in this Article in all subcontracts. Contractor shall only make modifications as necessary to make them applicable to the subcontractor.

Where Contractor is unable to certify to any of the statements in this Article, Contractor shall submit an explanation to the contract manager assigned to the Contract. Also, if Contractor's status with respect to the items certified in this Article changes during the term of this Contract, Contractor shall immediately notify the contract manager assigned to the Contract.

Section 12.02 **Child Support Delinquencies.** As required by Texas Family Code § 231.006, a child support obligor who is more than thirty calendar days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder or owner with an ownership interest of at least 25% is not eligible to receive payments from state funds under a contract to provide property materials, or services or receive a state-funded grant or loan. If applicable, Contractor shall maintain its eligibility to receive payments under this Contract, certifies that it is not ineligible to receive the payments specified in this Contract and

General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.

Section 12.03 Authorization. Contractor certifies that it possesses legal authority to contract for the services described in this Contract and if applicable, a resolution, motion or similar action has been duly adopted or passed as an official act of Contractor's governing body, authorizing the binding of the organization under this Contract including all understandings and assurances contained in this Contract, and directing and authorizing the person identified as the authorized representative of Contractor to act in connection with this Contract and to provide such additional information as may be required.

Section 12.04 Gifts and Benefits Prohibited. Contractor certifies that it has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, present or future employment, gift, loan, gratuity, special discount, trip, favor, service or anything of monetary value to a SYSTEM AGENCY or HHSC official or employee in connection with this Contract.

Section 12.05 Ineligibility to Receive the Contract.

- a. Pursuant to Texas Government Code § 2155.004 and federal law, Contractor is ineligible to receive this Contract if this Contract includes financial participation by a person who received compensation from SYSTEM AGENCY to participate in developing, drafting or preparing the specifications, requirements, statement of work or Solicitation Document on which this Contract is based. Contractor certifies that neither Contractor nor its employees nor anyone acting for Contractor has received compensation from SYSTEM AGENCY for participation in the developing, drafting or preparation of specifications, requirements or statements of work for this Contract or in the Solicitation Document associated with this Contract.
- b. Pursuant to Texas Government Code §§ 2155.006 and 2261.053, Contractor is ineligible to receive this Contract, if Contractor or any person who would have financial participation in this Contract has been convicted of violating federal law or been assessed a federal civil or administrative penalty, in connection with a contract awarded by the federal government for relief, recovery or reconstruction efforts as a result of Hurricanes Rita or Katrina or any other disaster occurring after September 24, 2005.
- c. Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified Contract under Texas Government Code §§ 2155.004, 2155.006 or 2261.053 and acknowledges that this Contract may be terminated and payment withheld if these certifications are inaccurate.

Section 12.06 Antitrust. Pursuant to 15 USC Sec. 1, et seq., and Texas Business and Commerce Code § 15.01, et seq. Contractor certifies that neither Contractor nor anyone acting for Contractor has violated the antitrust laws of this state or federal antitrust laws nor communicated directly or indirectly regarding a bid made to any competitor or any other person engaged in Contractor's line of business for the purpose of substantially lessening competition in such line of business.

ARTICLE XIII GENERAL BUSINESS OPERATIONS OF CONTRACTOR

Section 13.01 Program Site. Contractor shall provide services only in locations that are in compliance with all applicable local, state and federal zoning, building, health, fire and safety standards.

Section 13.02 Historically Underutilized Businesses (HUBs). If Contractor was not required to submit a HUB subcontracting plan and if subcontracting is permitted under this Contract, Contractor is encouraged to make a good faith effort to consider subcontracting with HUBs in accordance with Texas Government Code Chapter 2161 and 34 TAC § 20.14 et seq. Contractors may obtain a list of HUBs at

Attachment B Vendor General Provisions

<http://www.window.state.tx.us/procurement/prog/hub>. If Contractor has filed a HUB subcontracting plan, the plan is incorporated by reference in this Contract. If Contractor desires to make a change in the plan, Contractor must obtain prior approval of the revised plan from the Department's HUB Coordinator before proposed changes shall be effective under this Contract.

Contractor shall make a good faith effort to subcontract with HUBs during the performance of this Contract and shall report HUB subcontract activity to the Department's HUB Coordinator by the 15th day of each month for the prior month's activity, if there was any such activity in accordance with 34 TAC § 20.16(c).

Section 13.03 **Buy Texas.** Contractor shall purchase products and materials produced in Texas when the products and materials are available at a price and time comparable to products and materials produced outside of Texas as required by Texas Government Code § 2155.4441.

Section 13.04 **Status of Subcontractors.** Contractor shall require that all subcontractors certify that they are/have:

- a. In good standing with all state and federal funding and regulatory agencies;
- b. Not currently debarred, suspended or otherwise excluded from participation in federal grant programs;
- c. Not delinquent on any repayment agreements;
- d. Not had a required license or certification revoked;
- e. Not ineligible under the following sections of these General Provisions: Ineligibility to Receive the Contract (Assurances and Certifications Article) or the Conflict of Interest or Transactions Between Related Parties sections (General Terms Article); and
- f. Not had a contract terminated by the Department.

Contractors shall further require that subcontractors certify that they have not voluntarily surrendered within the past three years any license issued by the Department.

No provision of this Contract creates privity of contract between SYSTEM AGENCY and any subcontractor of Contractor.

Section 13.05 **Independent Contractor.** Contractor is an independent contractor. Contractor shall direct and be responsible for the performance of its employees, subcontractors, joint venture participants or agents. Contractor is not an agent or employee of the Department or the State of Texas for any purpose whatsoever. For purposes of this Contract, Contractor acknowledges that its employees, subcontractors, joint venture participants or agents shall not be eligible for unemployment compensation from the Department or the State of Texas.

Section 13.06 **Authority to Bind.** The person or persons signing this Contract on behalf of Contractor, or representing themselves as signing this Contract on behalf of Contractor, warrant(s) and guarantee(s) that they have been duly authorized by Contractor to execute this Contract for Contractor and to validly and legally bind Contractor to all of its terms.

Section 13.07 **Tax Liability.** Contractor shall comply with all state and federal tax laws and is solely responsible for filing all required state and federal tax forms and making all tax payments. If the Department discovers that Contractor has a liability or has failed to remain current on a delinquent liability to the IRS, this Contract shall be subject to remedies and sanctions under this Contract, including immediate termination at the Department's discretion. If the Contract is terminated under this section, the Department shall not enter into a contract with Contractor for three years from the date of termination.

Section 13.08 **Notice of Organizational Change.** Contractor shall submit written notice to the contract manager assigned to the Contract within 10 business days of any change to Contractor's name; contact information; key personnel; organizational structure, such as merger, acquisition or change in form of business; legal standing; or authority to do business in Texas.

Attachment B Vendor General Provisions

A change in Contractor's name and certain changes in organizational structure require an amendment to this Contract in accordance with the Amendments section of these General Provisions.

Section 13.09 **No Endorsement.** Other than stating the fact that Contractor has a contract with SYSTEM AGENCY, Contractor and its subcontractors are prohibited from publicizing the contractual relationship between Contractor and SYSTEM AGENCY and from using the Department's name, logo or website link in any manner that is intended or that could be perceived as an endorsement or sponsorship by SYSTEM AGENCY or the State of Texas of Contractor's organization, program, services or product, without the express written consent of SYSTEM AGENCY.

ARTICLE XIV

GENERAL TERMS

Section 14.01 **Assignment.** Contractor shall not transfer, assign, or sell its interest, in whole or in part, in this Contract without the prior written consent of the Department.

Section 14.02 **Lobbying.** Contractor shall comply with Texas Government Code § 556.0055, which prohibits contractors who receive state funds from using those funds to pay lobbying expenses. Further, Contractor shall not use funds paid under this Contract, either directly or indirectly, to support the enactment, repeal, modification, or adoption of any law, regulation or policy at any level of government, or to pay the salary or expenses of any person related to any activity designed to influence legislation, regulation, policy or appropriations pending before Congress or the state legislature, or for influencing or attempting to influence an officer or employee of any federal or state agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any contract or the extension, continuation, renewal, amendment, or modification of any contract (31 USC § 1352).

If at any time this Contract exceeds \$100,000 of federal funds, Contractor shall file with the contract manager assigned to the Contract a declaration containing the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on behalf of Contractor in connection with this Contract, a certification that none of the funds provided by Department have been or shall be used for payment to lobbyists, and disclosure of the names of any and all registered lobbyists with whom Contractor has an agreement.

Contractor shall file the declaration, certification, and disclosure:

- a. At the time of application for this Contract;
- b. Upon execution of this Contract unless Contractor previously filed a declaration, certification, or disclosure form in connection with the award; and
- c. At the end of each calendar quarter in which any event occurs that materially affects the accuracy of the information contained in any declaration, certification, or disclosure previously filed. Contractor shall require any person who requests or receives a subcontract to file the same declaration, certification, and disclosure with the contract manager assigned to the Contract. Contractor shall include this provision in any subcontracts.

Section 14.03 **Conflict of Interest.** Contractor represents to the Department that it and its subcontractors, if any, do not have, nor shall Contractor or its subcontractors knowingly acquire or retain, any financial or other interest that would conflict in any manner with the performance of their obligations under this Contract. Potential conflicts of interest include, but are not limited to, an existing or potential business or personal relationship between Contractor (or subcontractor), its principal (or a member of the principal's immediate family) or any affiliate or subcontractor and Department or HHSC, their commissioners, officers or employees, or any other entity or person involved in any way in any project that is the subject of this Contract.

Contractor shall establish safeguards to prohibit employees and subcontractors and their employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of

Attachment B Vendor General Provisions

interest or personal gain.

If, at any time during the term of this Contract, Contractor or any of its subcontractors has a conflict of interest or potential conflict of interest, Contractor shall disclose the actual or potential conflict of interest to the contract manager assigned to the Contract within 10 days of when Contractor becomes aware of the existence of the actual or potential conflict of interest. Contractor shall require each of its subcontractors to report to Contractor any conflict of interest or potential conflict of interest the subcontractor has or may have within 10 days of when the subcontractor becomes aware of the actual or potential conflict of interest.

Section 14.04 Transactions Between Related Parties. Contractor shall identify and report to SYSTEM AGENCY any transaction between Contractor and a related party that is part of the work that the Department is purchasing under this Contract before entering into the transaction or immediately upon discovery. A related party is a person or entity related to Contractor by blood or marriage, common ownership or any association that permits either to significantly influence or direct the actions or policies of the other. Contractor, for purposes of reporting transactions between related parties, includes the entity contracting with the Department under this Contract as well as the chief executive officer, chief financial officer and program director of Contractor.

Contractor shall submit to the contract manager assigned to the Contract the name, address and telephone number of the related party, how the party is related to Contractor and the work the related party shall perform under this Contract.

Contractor shall comply with Texas Government Code Chapter 573.

Contractor shall maintain records and supply any additional information requested by the Department, regarding a transaction between related parties, needed to enable the Department to determine the appropriateness of the transaction pursuant to applicable state or federal law, regulations or circulars, which may include 45 CFR § 74.42.

Section 14.05 Intellectual Property. Texas Health and Safety Code §12.020 authorizes SYSTEM AGENCY to protect intellectual property developed as a result of this Contract. "Intellectual property" is created property that may be protected under copyright, patent, or trademark/service mark law.

For purposes of this Contract, intellectual property prepared for SYSTEM AGENCY use, or a work specially ordered or commissioned through a contract for SYSTEM AGENCY use is a "work made for hire." SYSTEM AGENCY owns works made for hire unless it agrees otherwise by contract. To the extent that title and interest to any such work may not, by operation of law, vest in SYSTEM AGENCY, or such work may not be considered a work made for hire, Contractor irrevocably assigns the rights, title and interest therein to SYSTEM AGENCY. SYSTEM AGENCY has the right to obtain and hold in its name any and all patents, copyrights, registrations or other such protections as may be appropriate to the subject matter, and any extensions and renewals thereof. Contractor shall give SYSTEM AGENCY and the State of Texas, as well as any person designated by SYSTEM AGENCY and the State of Texas, all assistance required to perfect the rights defined herein without charge or expense beyond those amounts payable to Contractor for goods provided or services rendered under this Contract.

If federal funds are used to finance activities supported by this Contract that result in the production of intellectual property, the federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes:

- (1) the copyright in any intellectual property developed under this Contract including any subcontract; and
- (2) any rights of copyright to which a Contractor purchases ownership with contract funds. Contractor shall place an acknowledgment of federal awarding agency grant support and a disclaimer, as appropriate, on any publication written or published with such support and, if feasible, on any publication reporting the results of or describing a grant-supported activity.

Attachment B Vendor General Provisions

An acknowledgment must be to the effect that “This publication was made possible by grant number _____ from (federal awarding agency)” or “The project described was supported by grant number _____ from (federal awarding agency)” and “Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the (federal awarding agency).”

If the terms of a federal grant award the copyright to Contractor, SYSTEM AGENCY reserves a royalty-free, nonexclusive, worldwide and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for SYSTEM AGENCY, public health, and state governmental noncommercial purposes:

- a. The copyright, trademark, service mark, and/or patent on an invention, discovery, or improvement to any process, machine, manufacture, or composition of matter; products; technology; scientific information; trade secrets; and computer software, in any work developed under a grant, subgrant, or contract under a grant or subgrant; and
- b. Any rights of copyright, service or trademarks or patents to which a grantee, subgrantee or a Contractor purchases ownership with contract funds

If the results of the contract performance are subject to copyright law, Contractor cannot publish those results without prior review and approval of SYSTEM AGENCY. Contractor shall submit requests for review and approval to the contract manager assigned to the Contract.

Section 14.06 Other Intangible Property. At the conclusion of the contractual relationship between Department and Contractor, for any reason, Department shall have the sole ownership rights and interest in all non-copyrightable intangible property that was developed, produced or obtained by Contractor as a specific requirement under this Contract or under any grant that funds this Contract, such as domain names, URLs or software licenses with a value of \$500 or more. Contractor shall cooperate with Department and perform all actions necessary to transfer ownership of such property to the Department or its designee, or otherwise affirm Department’s ownership rights and interest in such property. This provision shall survive the termination or expiration of this Contract.

Section 14.07 Severability and Ambiguity. If any provision of this Contract is construed to be illegal or invalid, the illegal or invalid provision shall be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions shall continue. The Parties represent and agree that the language contained in this Contract is to be construed as jointly drafted, proposed and accepted.

Section 14.08 Legal Notice. Any notice required or permitted to be given by the provisions of this Contract shall be deemed to have been received by a Party on the third business day after the date on which it was mailed to the Party at the address specified by the Party to the other Party in writing or, if sent by certified mail, on the date of receipt.

Section 14.09 Successors. This Contract shall be binding upon the Parties and their successors and assignees, except as expressly provided in this Contract.

Section 14.10 Headings. The articles and section headings used in this Contract are for convenience of reference only and will not be construed in any way to define, limit or describe the scope or intent of any provisions.

Section 14.11 Parties. The Parties represent to each other that they are entities fully familiar with transactions of the kind reflected by the contract documents, and are capable of understanding the terminology and meaning of their terms and conditions and of obtaining independent legal advice pertaining to this Contract.

Attachment B Vendor General Provisions

Section 14.12 **Survivability of Terms.** Termination or expiration of this Contract or a Contract for any reason shall not release either party from any liabilities or obligations in this Contract that:

- a. The parties have expressly agreed shall survive any such termination or expiration;
- b. Remain to be performed; or
- c. By their nature would be intended to be applicable following any such termination or expiration.

Section 14.13 **Customer Service Information.** If requested, Contractor shall supply such information as required by the Department to comply with the provisions of Texas Government Code Chapter 2114 regarding Customer Service surveys.

Section 14.14 **Amendment.** All amendments to this Contract must be in writing and agreed to by both Parties, except as otherwise specified in the Contractor's Notification of Change to Certain Contract Provisions section or the Contractor's Request for Revision to Certain Contract Provisions section of this Article.

Contractor's request for amendments must be submitted in writing, including a justification for the request, to the contract manager assigned to the Contract; and if an amendment is requested during the last quarter of the Contract or Contract term, as applicable, Contractor's written justification must include a reason for the delay in making the request. Except as otherwise provided in this Article, Contractor shall not perform or produce, and SYSTEM AGENCY shall not pay for the performance or production of, different or additional goods, services, work or products except pursuant to an amendment of this Contract that is executed in compliance with this section; and SYSTEM AGENCY shall not waive any term, covenant, or condition of this Contract unless by amendment or otherwise in compliance with this section.

Section 14.15 **Contractor's Notification of Change to Certain Contract Provisions.** The following changes may be made to this Contract without a written amendment or the Department's prior approval:

- a. Contractor's contact person and contact information; and
- b. Contact information for key personnel, as stated in Contractor's response to the Solicitation Document or resulting contract, if any.

Contractor within ten calendar days shall notify in writing the contract manager assigned to the Contract of any change enumerated in this section.

Section 14.16 **Unilateral Amendment.** The Department reserves the right to amend this Contract through execution of a unilateral amendment signed by the contract manager for this Contract and provided to the Contractor with ten days' notice prior to execution of the amendment under the following circumstances to:

- a. Correct an obvious clerical error in this Contract;
- b. Incorporate new or revised federal or state laws, regulations, rules or policies; and
- c. Change the name of the Contractor in order to reflect the Contractor's name as recorded by the Texas Secretary of State.

Section 14.17 **Immunity Not Waived.** THE PARTIES EXPRESSLY AGREE THAT NO PROVISION OF THIS CONTRACT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY DEPARTMENT OR THE STATE OF TEXAS OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY THAT DEPARTMENT OR THE STATE OF TEXAS MAY HAVE BY OPERATION OF LAW.

Section 14.18 **Hold Harmless and Indemnification.** Contractor, as an independent contractor, agrees to hold Department, the State of Texas, individual state employees and officers, and the federal government harmless and to indemnify them from any and all liability, suits, claims, losses, damages and judgments, and to pay all costs, fees, and damages to the extent that such costs, fees, and damages arise from performance or

Attachment B Vendor General Provisions

nonperformance of Contractor, its employees, subcontractors, joint venture participants or agents under this Contract.

Section 14.19 **Waiver.** Acceptance by either Party of partial performance or failure to complain of any action, non-action or default under this Contract shall not constitute a waiver of either party's rights under this Contract.

Section 14.20 **Electronic and Information Resources Accessibility and Security Standards.**

This section applies if the Contract requires the Contractor to procure or develop Electronic and Information Resources (EIR) for SYSTEM AGENCY or to change any of SYSTEM AGENCY' EIR. This section also applies if the Contract requires the Contractor to

perform a service or supply goods that include EIR that:

- a. SYSTEM AGENCY employees are required to use or permitted access to; or
- b. Members of the public are required to use or permitted access to. This section does not apply to incidental uses of EIR in the performance of a contract, unless the parties agree that the EIR shall become property of the state or shall be used by SYSTEM AGENCY clients 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.

Definitions.

- a. "Accessibility Standards" means the Electronic and Information Resources Accessibility Standards in 1 TAC Chapter 213, and the Web Site Accessibility Standards/Specifications in 1 TAC Chapter 206.
- b. "Electronic and Information Resources" means information resources, including information resources technologies, and any equipment or interconnected system of equipment that is used in the creation, conversion, duplication, or delivery of data or information. The term includes, but is not limited to, telephones and other telecommunications products, information kiosks, transaction machines, Internet websites, multimedia resources, and office equipment, including copy machines and fax machines.
- c. "Products" means information resources technologies that are or are related to EIR.

Accessibility Requirements. Under Texas Government Code Chapter 2054, Subchapter M, and implementing rules of the Department of Information Resources (DIR), SYSTEM AGENCY must procure Products that comply with the Accessibility Standards when such Products are available in the commercial marketplace or when such Products are developed in response to a procurement solicitation. Accordingly, Contractor shall provide electronic and information resources and associated Product documentation and technical support that comply with the Accessibility Standards.

Evaluation, Testing and Monitoring. SYSTEM AGENCY may review, test, evaluate and monitor Contractor's Products 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. Neither:

- a. The review, testing (including acceptance testing), evaluation or monitoring of any Product; nor
- b. The absence of such review, testing, evaluation or monitoring, shall result in a waiver of the State's right to contest the Contractor's assertion of compliance with the Accessibility Standards. Contractor shall cooperate fully and provide SYSTEM AGENCY and its representatives timely access to Products, records, and other items and information needed to conduct such review, evaluation, testing and monitoring.

Representations and Warranties. Contractor represents and warrants that

- a. As of the effective date of the Contract, the Products 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
General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

Parties otherwise expressly agree in writing; and

b. If the Products shall be in the custody of the state or a SYSTEM AGENCY client after the Contract expiration or termination, the Products shall continue to comply with such Accessibility Standards after the expiration or termination of the Contract term, unless SYSTEM AGENCY and/or client, as applicable, uses the Products in a manner that renders it noncompliant.

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 shall, in a timely manner and at no cost to SYSTEM AGENCY, perform all necessary steps to satisfy the Accessibility Standards, including but not limited to remediation, replacement, and upgrading of the Product, or providing a suitable substitute.

Contractor acknowledges and agrees that these representations and warranties are essential inducements on which SYSTEM AGENCY relies in awarding this Contract. Contractor's representations and warranties under this subsection shall survive the termination or expiration of the Contract and shall remain in full force and effect throughout the useful life of the Product.

Remedies. Pursuant to Texas Government Code §2054.465, neither Contractor nor any other person has cause of action against SYSTEM AGENCY for a claim of a failure to comply with Texas Government Code Chapter 2054, Subchapter M, and rules of the DIR. In the event of a breach of Contractor's representations and warranties, Contractor shall be liable for direct and consequential damages and any other remedies to which SYSTEM AGENCY may be entitled. This remedy is cumulative of any and all other remedies to which SYSTEM AGENCY may be entitled under this Contract and other applicable law.

Section 14.21 **Force Majeure.** Neither Party shall be liable for any failure or delay in performing all or some of its obligations, as applicable, under this Contract if such failure or delay is due to any cause beyond the reasonable control of such Party, including, but not limited to, extraordinarily severe weather, strikes, natural disasters, fire, civil disturbance, epidemic, war, court order or acts of God. The existence of any such cause of delay or failure shall extend the period of performance in the exercise of reasonable diligence until after the cause of the delay or failure no longer exists and, if applicable, for any reasonable period of time thereafter required to resume performance. A Party, within a period of time reasonable under the circumstances, must inform the other party as soon as practicable. This Party must also submit written notice with proof of receipt of the existence of a force majeure event or otherwise waive the right as a defense to non-performance.

Section 14.22 **Interim Contracts.** The Parties agree that the Contract Contracts shall automatically continue as an "Interim Contract" beyond the expiration date of the term of the Contract or Contract(s), as applicable, under the following circumstances:

- a. On or shortly prior to the expiration date of the Contract or Contract, as applicable, if there is a state of disaster declared by the Governor that affects the ability or resources of the SYSTEM AGENCY contract or program staff managing the Contract to complete in a timely manner the extension, renewal or other standard contract process for the Contract or Contract; and
- b. SYSTEM AGENCY makes this determination in its sole discretion that an Interim Contract is appropriate under the circumstances. SYSTEM AGENCY shall notify Contractor promptly in writing if such a determination is made. The notice shall specify whether SYSTEM AGENCY is extending the Contract for additional time for Contractor to perform or complete the previously contracted goods and services (with no new or additional funding) or is purchasing additional goods and services as described in the Contract for the term of the Interim Contract, or both. The notice shall include billing instructions and detailed information on how SYSTEM AGENCY shall fund the goods or services to be procured

Attachment B Vendor General Provisions

during the Interim Contract term. The Interim Contract shall terminate thirty days after the disaster declaration is terminated unless the Parties agree to a shorter period of time.

Section 14.23 **Cooperation and Communication.** Contractor shall cooperate with Department staff and as applicable, other SYSTEM AGENCY contractors and shall promptly comply with requests from SYSTEM AGENCY for information or responses to SYSTEM AGENCY inquiries concerning Contractor's duties or responsibilities under this Contract.

ARTICLE XV BREACH OF CONTRACT AND REMEDIES FOR NON-COMPLIANCE

Section 15.01 **Actions Constituting Breach of Contract.** Actions or inactions that constitute breach of contract include, but are not limited to, the following:

Failure to properly provide the services and/or goods purchased under this Contract;
Failure to comply with any provision of this Contract including failure to comply with all applicable statutes, rules or regulations;
Failure to pay refunds or penalties owed to the Department;
Failure to comply with a repayment agreement with Department or agreed order issued by the Department;
Discovery of a material misrepresentation in any aspect of Contractor's application or response to the Solicitation Document;
Any misrepresentation in the assurances and certifications in Contractor's application or response to the Solicitation Document or in this Contract; or
Contractor is on or is added to the Excluded Parties List System (EPLS).

Section 15.02 **General Remedies and Sanctions.** The remedies and sanctions in this section are available to the Department against Contractor and any entity that subcontracts with Contractor for provision of services or goods. HHSC OIG may investigate, audit and impose or recommend imposition of remedies or sanctions to Department for any breach of this Contract. The Department may impose one or more remedies or sanctions for each item of noncompliance and shall determine remedies or sanctions on a case-by-case basis. If Contractor breaches this Contract by failing to comply with one or more of the terms of this Contract, including but not limited to compliance with applicable statutes, rules or regulations, the Department may take one or more of the following actions:

- a. Terminate this Contract by informing the Contractor of the termination no less than thirty calendar days before the effective date of the termination in a notice of termination, except for circumstances that require immediate termination as described in the Immediate Termination section of this Article. The notice of termination shall state the effective date of the termination, the reasons for the termination, and, if applicable, alert Contractor of the opportunity to request a hearing on the termination pursuant to Texas Government Code Chapter 2105 regarding administration of Block Grants. Contractor shall not make any claim for payment for services provided from the effective date of termination;
- b. Suspend all or part of this Contract by notifying that the Contractor that SYSTEM AGENCY is temporarily discontinue performance of all or a part of the Contract, as of the effective date of the suspension pending SYSTEM AGENCY's determination to terminate, amend the Contract or permit the Contractor to resume performance. Contractor shall not bill SYSTEM AGENCY for services performed during suspension, unless expressly authorized by the notice of suspension;
- c. Use as a basis to deny additional or enter into future contracts with Contractor;
- d. Temporarily withhold cash payments to Contractor for proper charges or pending resolution of issues of noncompliance with conditions of this Contract or indebtedness to the United States or to the State

Attachment B Vendor General Provisions

of Texas;

- e. Permanently withhold cash payments by retaining funds billed by Contractor for
 - 1. Undocumented, disputed, inaccurate, improper or erroneous billings;
 - 2. Material failure to comply with Contract provisions; or
 - 3. Indebtedness to the United States or to the State of Texas;
- f. Declare this Contract void upon the Department's determination that this Contract was obtained fraudulently or was illegal or invalid from this Contract's inception and demand repayment of any funds under this Contract;
- g. Request that Contractor be removed from the Centralized Master Bidders List (CMBL) or any other state bid list, and barred from participating in future contracting opportunities with the State of Texas;
- h. Delay execution of a new contract or renewal with Contractor while other imposed or proposed sanctions are pending resolution;
- i. Demand repayment from Contractor when it has been verified that Contractor has been overpaid for reasons such as payments are not supported by proper documentation or failure to comply with Contract terms;
- j. Pursue a claim for damages as a result of breach of contract;
- k. Require Contractor to prohibit any employee or volunteer of Contractor from performing under this Contract or having direct contact with SYSTEM AGENCY-funded clients or participant, if the employee or volunteer has been indicted or convicted of the misuse of state or federal funds, fraud or illegal acts that are in contraindication to continued obligations under this Contract, as reasonably determined by SYSTEM AGENCY;
- l. Withhold any payment to Contractor to satisfy any recoupment imposed by SYSTEM AGENCY and take repayment from funds available under this Contract in amounts necessary to fulfill Contractor's payment or repayment obligations;
- m. Reduce the Contract term; and
- n. Recoup improper payments when Contractor has been overpaid for reasons such as payments are not supported by proper documentation, improper billing or failure to comply with Contract terms; and
- o. Impose other remedies, sanctions or penalties permitted by federal or state statute, law, regulation or rule.

Section 15.03 Notice of Remedies or Sanctions. Department shall formally notify Contractor in writing when a remedy or sanction is imposed, stating the nature of the remedies and sanction, the reasons for imposing them, the corrective actions, if any, that must be taken before the actions shall be removed and the time allowed for completing the corrective actions, and the method, if any, of requesting reconsideration of the remedies or sanctions imposed.

Other than in the case of repayment or recoupment, Contractor is required to file, within 15 calendar days of receipt of notice, a written response to Department acknowledging receipt of such notice.

If requested by the Department, the written response must state how Contractor shall correct the noncompliance
General Provisions 2015 Core Vendor (May 1, 2015)

Attachment B Vendor General Provisions

by agreeing to a corrective action plan or demonstrate in writing that the findings on which the remedies or sanctions are based are either invalid or do not warrant the remedies or sanctions. If Department determines that a remedy or sanction is warranted, unless the remedy or sanction is subject to review under a federal or state statute, regulation, rule, or guideline, Department's decision is final. Department shall provide written notice to Contractor of Department's final decision.

If required by the Department, Contractor shall submit a corrective action plan for SYSTEM AGENCY approval and take corrective action as stated in the plan approved by SYSTEM AGENCY. If SYSTEM AGENCY determines that repayment is warranted, SYSTEM AGENCY shall issue a demand letter to Contractor for repayment. If full repayment is not received within the time limit stated in the demand letter, and if recoupment is available, SYSTEM AGENCY shall recoup the amount due to SYSTEM AGENCY from funds otherwise due to Contractor under this Contract.

Section 15.04 **Emergency Action.** In an emergency, Department may immediately terminate or suspend all or part of this Contract, temporarily or permanently withhold cash payments, deny future contract awards, or delay contract execution by delivering written notice to Contractor, by any verifiable method, stating the reason for the emergency action. An "emergency" is defined as Contractor is noncompliant and the noncompliance has a direct adverse effect on the public or client health, welfare or safety. The direct adverse effect may be programmatic and may include failing to provide services; providing inadequate services; or providing unnecessary services.

Whether Contractor's conduct or noncompliance is an emergency will be determined by Department on a case-by-case basis and will be based upon the nature of the noncompliance or conduct.

ARTICLE XVI CLAIMS AGAINST THE DEPARTMENT

Section 16.01 **Breach of Contract Claim.** The process for a breach of contract claim against the SYSTEM AGENCY provided for in Texas Government Code Chapter 2260 and implemented in the rules at 25 TAC §§4.11-4.24 shall be used by SYSTEM AGENCY and Contractor to attempt to resolve any breach of contract claim against SYSTEM AGENCY.

Section 16.02 **Notice.** Contractor's claims for breach of this Contract that the Parties cannot resolve in the ordinary course of business must be submitted to the negotiation process provided in Chapter 2260 and 25 TAC. To initiate the process, Contractor shall submit written notice, as required by Subchapter B, to SYSTEM AGENCY Office of General Counsel. The notice must specifically state that the provisions of Chapter 2260 are being invoked and comply with all the requirements in this Chapter and TAC. A copy of the notice must also be given to all other representatives of SYSTEM AGENCY and Contractor. Section

Section 16.03 **Sole Remedy.** The contested case process provided in Chapter 2260 is Contractor's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by SYSTEM AGENCY if the Parties are unable to resolve their disputes.

Section 16.04 **Condition Precedent to Suit.** Compliance with the contested case process provided in Chapter 2260, Subchapter C, Texas Government Code, is a condition precedent to seeking consent to sue from the Legislature under Chapter 107 of the Civil Practices and Remedies Code. Neither the execution of this Contract by SYSTEM AGENCY nor any other conduct of any representative of SYSTEM AGENCY relating to this Contract shall be considered a waiver of sovereign immunity to suit.

Section 16.05 **Performance Not Suspended.** Neither the occurrence of an event nor the pendency of a claim constitutes grounds for the suspension in whole or part of performance by Contractor.

**Attachment B
Vendor General Provisions**

ARTICLE XVII TERMINATION AND TEMPORARY SUSPENSION

Section 17.01 **Expiration of Contractor Contracts.** Except as provided in the Survivability of Terms section of the General Terms Article, Contractor's service obligations stated in each Contract or Contract shall end upon the expiration date of that Contract or Contract unless extended or renewed by written amendment. Prior to completion of the term of all Contracts or Contracts, all or a part of this Contract may be terminated with or without cause under this Article. A Contract cannot extend past the term stated in its associated Contract.

Section 17.02 **Effect of Termination or Expiration.** Termination is the permanent withdrawal of Contractor's authority to obligate previously awarded funds before that authority would otherwise expire or the voluntary relinquishment by Contractor of the authority to obligate previously awarded funds and the Contractor shall cease providing services or goods.

Upon termination of this Contractor Contract, as applicable, Contractor shall cooperate with SYSTEM AGENCY to the fullest extent possible to ensure the orderly and safe transfer of responsibilities under this Contract, as applicable to SYSTEM AGENCY or another entity designated by SYSTEM AGENCY.

Upon termination of all or part of this Contract, Department and Contractor shall be discharged from any further obligation created under the applicable terms of this Contract, as applicable, except for the equitable settlement of the respective accrued interests or obligations incurred prior to termination and for Contractor's duty to cooperate with SYSTEM AGENCY and, except as provided in the Survivability of Terms section of the General Terms Article.

Termination does not, however, constitute a waiver of any remedies for breach of this Contract.

Contractor's obligations to retain records and maintain confidentiality of information shall survive this Contract.

Section 17.03 **Termination or Temporary Suspension Without Cause.** Either Party may terminate this Contract with at least thirty calendar days prior written notice to the nonterminating Party. However, if Contractor seeks to terminate a Contract that involves residential client services, Contractor shall give the Department at least ninety calendar days prior written notice and shall submit a transition plan to ensure client services are not disrupted.

The Parties may terminate this Contract, as applicable, by mutual agreement.

SYSTEM AGENCY may temporarily suspend or terminate this Contract, as applicable if funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or HHSC agencies, amendments to the Appropriations Act, health and human services consolidations or any other disruption of current appropriated funding for this Contractor Contract. Contractor shall be notified in writing of any termination or temporary suspension and of any cessation of temporary suspension. Upon notification of temporary suspension, Contractor will discontinue performance under the Contract as of the effective date of the suspension for the duration of the suspension.

Section 17.04 **Immediate Termination.** Department may immediately terminate this Contract, as applicable, when, in the sole determination of Department, termination is in the best interest of the State of Texas.

Section 17.05 **Emergency Action Termination.** In the case of a material breach of the contract or an emergency, Department may immediately terminate or suspend all or part of this Contract.

Section 17.06 **Termination For Cause.** Either Party may terminate for material breach of this contract with at least thirty calendar days written notice to the other Party. Department may terminate this Contract, in whole or in part, for breach of contract or for any other conduct that jeopardizes the Contract objectives, by

Attachment B Vendor General Provisions

giving at least thirty calendar days written notice to Contractor. If breach is not cured or other conduct not remedied, then on the 30th day after notice, the Department may terminate this contract. Such conduct may include one or more of the following:

Contractor fails to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction; Contractor fails to communicate with Department or fails to allow its employees or those of its subcontractor to communicate with Department as necessary for the performance or oversight of this Contract;

Contractor breaches a standard of confidentiality with respect to the services provided under this Contract;

Department determines that Contractor is without sufficient personnel or resources to perform under this Contract or that Contractor is otherwise unable or unwilling to fulfill any of its requirements under this Contract;

Department determines that Contractor, its agent or another representative offered or gave a gratuity such as entertainment or gift to an official or employee of SYSTEM AGENCY or HHSC for the purpose of obtaining a contract or favorable treatment;

Department determines that this Contract includes financial participation by a person who received compensation from SYSTEM AGENCY to participate in developing, drafting or preparing the specifications, requirements or statement(s) of work or Solicitation Document on which this Contract is based in violation of Texas Government Code § 2155.004; or Department determines that Contractor was ineligible to receive this Contract under Texas Government Code §§ 2155.006 or 2261.053 related to certain disaster response contracts;

Contractor appears to be financially unstable. Indicators of financial instability may include one or more of the following:

- 1) Contractor fails to make payments for debts;
- 2) Contractor makes an assignment for the benefit of its creditors;
- 3) Contractor admits in writing its inability to pay its debts generally as they become due;
- 4) If judgment for the payment of money in excess of \$50,000 (that is not covered by insurance) is rendered by any court or governmental body against Contractor, and Contractor does not:
 - (a) discharge the judgment;
 - (b) provide for its discharge in accordance with its terms;
 - (c) procure a stay of execution within thirty calendar days from the date of entry of the judgment;
 - (d) if the execution is stayed within the thirty day period or a longer period during which execution of the judgment has been stayed, appeal from the judgment and cause the execution to be stayed during such appeal while providing such reserves for the judgment as may be required under Generally Accepted Accounting Principles;
- 5) A writ, warrant of attachment or any similar process is issued by any court against all or any material portion of the property of Contractor and such is not released or bonded within thirty calendar days after its issuance;
- 6) Contractor is adjudicated bankrupt or insolvent;
- 7) Contractor files a case under the Federal Bankruptcy Code or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction or consents to the filing of any case or petition against it under any such law;
- 8) Any property or portion of the property of Contractor is sequestered by court order and the order remains in effect for more than thirty calendar days after Contractor obtains knowledge of the sequestration;
- 9) A petition is filed against Contractor under any state reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, then in effect, and the petition is not dismissed within thirty calendar days; or
- 10) Contractor consents to the appointment of a receiver, trustee, or liquidator of Contractor or of all or any part of its property; or
- 11) Any required license, certification, permit, registration or approval required to conduct Contractor's business or to perform under this Contract is not obtained or is revoked,

Attachment B Vendor General Provisions

surrendered, expires, is not renewed, becomes inactive or is suspended.

Section 17.07 **Notice of Termination.** Either Party may deliver written notice of intent to terminate by any verifiable method. If either Party gives notice of its intent to terminate all or a part of this Contract, Department and Contractor shall attempt to resolve any issues related to the anticipated termination in good faith during the notice period.

ARTICLE XVIII VOID, SUSPENDED AND TERMINATED CONTRACTS

Section 18.01 **Void Contracts.** Department may void this Contract upon determination that the award was obtained fraudulently or was otherwise illegal or invalid from its inception.

Section 18.02 **Effect of Void, Suspended, or Involuntarily Terminated Contract.** A Contractor who has been a party to a contract with SYSTEM AGENCY that has been found to be void, is suspended or is terminated for cause is not eligible for any renewal or increase of funding for an existing contract or new contracts or renewals until in the case of suspension or termination the Department has determined that Contractor has satisfactorily resolved the issues underlying the suspension or termination. Additionally, if this Contract is found to be void any amount paid to the Contractor is subject to recoupment by SYSTEM AGENCY.

Section 18.03 **Appeals Rights for SYSTEM AGENCY Funded Block Grants.** Pursuant to Texas Government Code § 2105.302, after receiving notice from the Department of termination of a contract with SYSTEM AGENCY funded by block grant funds, Contractor may request an administrative hearing under Texas Government Code Chapter 2001.

ARTICLE XIX CLOSEOUT

Section 19.01 **Cessation of Services at Closeout.** Upon expiration or termination of this Contract or Contract, as applicable, Contractor shall stop providing cease services or delivery of goods under this Contract and if necessary, shall cooperate with SYSTEM AGENCY to the fullest extent possible, to ensure the orderly and safe transfer of responsibilities under this Contract to SYSTEM AGENCY or another entity designated by SYSTEM AGENCY.

Contractor shall not bill SYSTEM AGENCY for services performed or goods delivered after termination or expiration of Contract.

Upon termination or expiration of this Contract, Contractor shall immediately initiate Closeout activities described in this Article.

Section 19.02 **Administrative Offset.** The Department has the right to administratively offset amounts owed by Contractor against billings.

Section 19.03 **Deadline for Closeout.** Contractor shall submit all performance, and other Closeout reports required under this Contract within 45 calendar days after the Contractor Contract end date. In Accordance with the Texas Government Code Chapter 2251, Texas Prompt Payment Act, or unless otherwise provided under the Billing Submission section of the Payment Methods and Restrictions Article, the Department is not liable for any claims that are not received within 45 calendar days after the end date of the Contractor Contract, as applicable.

Section 19.04 **Payment of Refunds.** Any funds paid to Contractor in excess of the amount to which Contractor is finally determined to be entitled under the terms of this Contract constitute a debt to the Department and shall result in a refund due, which Contractor shall pay within the time period established by the

Attachment B Vendor General Provisions

Department.

Section 19.05 **Disallowances and Adjustments.** The Closeout of this Contract does not affect the Department's right to recover funds on the basis of a later audit or other review or Contractor's obligation to return any funds due as a result of later refunds, corrections or other transactions.

Attachment C

GENERAL AFFIRMATIONS

By entering into this Contract, Contractor affirms, without exception, as follows:

1. Contractor represents and warrants that these General Affirmations apply to Contractor and all of Contractor's principals, officers, directors, shareholders, partners, owners, agents, employees, Subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Contract.
2. Contractor represents and warrants that all statements and information provided to the Enterprise Agency are current, complete, and accurate. This includes all statements and information relating in any manner to this Contract and any solicitation resulting in this Contract.
3. Contractor has not given, has not offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract.
4. Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
5. Under Section 2155.006, Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
6. Under Section 2261.053, Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
7. Under Section 231.006, Texas Family Code (relating to delinquent child support), Contractor certifies that it is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.
8. Contractor certifies that: (a) the entity executing this Contract; (b) its principals; (c) its Subcontractors; and (d) any personnel designated to perform services related to this Contract are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal Department or Agency. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Contractor's Subcontracts if payment in whole or in part is from federal funds.
9. Contractor certifies that it, its principals, its Subcontractors, and any personnel designated to perform services related to this Contract are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state, or local governmental entity.
10. Contractor certifies it is in compliance with all State of Texas statutes and rules relating to procurement; and that (a) the entity executing this Contract; (b) its principals; (c) its Subcontractors; and (d) any personnel designated to perform services related to this Contract are not listed on the federal government's terrorism watch list described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov/portal/public/SAM/>, which Contractor may

review in making this certification. Contractor acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate. This provision shall be included in its entirety in Contractor's Subcontracts if payment in whole or in part is from federal funds.

11. In accordance with Texas Government Code Section 669.003 (relating to contracting with the executive head of a state agency), Contractor certifies that it (1) is not the executive head of the Enterprise Agency; (2) was not at any time during the past four years the executive head of the Enterprise Agency; and (3) does not employ a current or former executive head of the Enterprise Agency.
12. Contractor represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.
13. Contractor represents and warrants that payments to Contractor and Contractor's receipt of appropriated or other funds under this Contract are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).
14. Contractor represents and warrants that it will comply with Texas Government Code Section 2155.4441, relating to the purchase of products produced in the State of Texas under service contracts.
15. Pursuant to Section 2252.901, Texas Government Code (relating to prohibitions regarding contracts with and involving former and retired state agency employees), Contractor will not allow any former employee of the Enterprise Agency to perform services under this Contract during the twelve (12) month period immediately following the employee's last date of employment at the Enterprise Agency.
16. Contractor acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of the Enterprise Agency who during the period of state service or employment participated on behalf of the Enterprise Agency in a procurement or contract negotiation involving Contractor may not accept employment from Contractor before the second anniversary of the date the officer's or employee's service or employment with the Enterprise Agency ceased.
17. Contractor understands that the Enterprise Agency does not tolerate any type of fraud. The Enterprise Agency's policy is to promote consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. All employees or contractors who suspect fraud, waste or abuse (including employee misconduct that would constitute fraud, waste, or abuse) are required to immediately report the questionable activity to both the Health and Human Services Commission's Office of the Inspector General at 1-800-436-6184 and the State Auditor's Office. Contractor agrees to comply with all applicable laws, rules, regulations, and Enterprise Agency policies regarding fraud including, but not limited to, HHS Circular C-027.
18. Contractor represents and warrants that it has not violated state or federal antitrust laws and has not communicated its bid for this Contract directly or indirectly to any competitor or any other person engaged in such line of business. Contractor hereby assigns to Enterprise Agency any claims for overcharges associated with this Contract under 15 U.S.C. § 1, *et seq.*, and Texas Business and Commerce Code § 15.01, *et seq.*
19. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Contractor or any of the individuals or entities included numbered paragraph 1 of these General Affirmations within the five (5) calendar years immediately preceding the execution of this Contract that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to the Enterprise Agency's consideration of entering

into this Contract. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has provided to the Enterprise Agency a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to the Enterprise Agency's consideration of entering into this Contract. In addition, Contractor represents and warrants that it shall notify the Enterprise Agency in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update the Enterprise Agency shall constitute breach of contract and may result in immediate termination of this Contract.

20. Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.
21. Contractor represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to this Contract.
22. Contractor represents and warrants that the individual signing this Contract is authorized to sign on behalf of Contractor and to bind Contractor.

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SUPPLEMENTAL CONDITIONS**Section 9.01, Retention, Article IX. Records Retention, is revised to read as follows:**

Contractor shall retain and preserve records in accordance with applicable state and federal statutes, rules and regulations. At a minimum, Contractor shall maintain all records, including but not limited to financial that are generated or collected by Contractor under the provisions of this Contract for a period of four years after the termination of this Contract. Contractor must also adhere to the following:

- a. If the federal retention period for services that are funded through Medicaid is more than seven years, then the Contractor will retain the records for longer period of time.
- b. Contractor shall retain all records pertaining to this Contract that are the subject of litigation or an audit until the litigation has ended or all questions pertaining to the audit are resolved.
- c. Contractor shall retain medical records in accordance with 22 TAC §165.1(b) or other applicable statutes, rules and regulations governing medical information.
- d. Contractor shall include this provision concerning records retention in any subcontract it awards.
- e. Contractor ceases business operations, it shall ensure that records relating to this Contract are securely stored and are accessible by the System Agency upon System Agency's request for at least four years from the date Contractor ceases business or from the date this Contract terminates, whichever is sooner.
- f. Contractor shall provide, and update as necessary, the name and address of the party responsible for storage of records to the contract manager assigned to this Contract.

Section 11.01, Child Abuse Reporting Requirement, Article XI. Reporting Requirements, is revised to read as follows:

All Contractors shall promptly report any suspected case of abuse, neglect, or exploitation to the appropriate authority as required by the Texas Family Code, Chapter 261. All reports must be made within twenty-four (24) hours of the discovery of abuse, neglect, or exploitation.

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.

Contractor shall use the System Agency Child Abuse Reporting Form located at www.dshs.state.tx.us/childabusereporting as required by the System Agency. This website is incorporated by reference. Contractor shall retain reporting documentation on site and make it available for inspection by System Agency.

This section is in addition to and does not supersede any other legal obligation of the Contractor to report child abuse.

Local mental health authorities shall comply with the Texas Administrative Code, Chapter 414, Subchapter L.

This includes, but is not limited to:

- a. Amending their contracts to ensure contractors' compliance with this subchapter.
- b. Implementing policies and procedures addressing disciplinary and other action in confirmed cases of abuse, neglect, and exploitation involving employees and agents, in accordance with Section 414.557.
- c. Ensuring that a Client Abuse and Neglect Reporting form (AN-1-A) is completed within 14 calendar days of the receipt of the investigative report from the System Agency of Family and Protective Services or a decision made after review or appeal using the CANRS Definitions and the CANRS Classifications, when the perpetrator or alleged perpetrator is an employee or agent of the local mental health authority, community center, or contractor, or if the perpetrator is unknown.
- d. Ensuring, within one working day after completion of the AN-1-A form, that:

- (1) The information contained in the completed AN-1-A form is entered into the Client Abuse and Neglect Reporting System (CANRS); or
 - (2) If access to CANRS is unavailable, a copy of the completed AN-1-A form is forwarded for data entry to the Office of Consumer Services and Rights Protection–Ombudsman, P.O. Box 12668, Austin, TX 78711-2668
1. Contractor shall comply with Texas Administrative Code Title 25, Part 1, Chapter 448, Subsection G, Rule §448.701, “Client Rights.”
 2. Contractor shall comply with Human Resources Code, Section 48.253, requiring a provider to:
 - a. Cooperate completely with an investigation of alleged abuse, neglect, or exploitation conducted by the System Agency of Family and Protective Services.
 - b. Provide complete access to the System Agency of Family and Protective Services during an investigation to:
 - (1) All sites owned, operated, or controlled by the provider; and
 - (2) Clients and client records.

Section 15.02 General Remedies and Sanctions, Article XV, Breach of Contract and Remedies for Non-compliance, is revised to add the following:

- p. Place Contractor on accelerated monitoring, which means more frequent or more extensive monitoring than ordinarily conducted by System Agency. System Agency may allow Contractor the opportunity to correct identified deficiencies prior to imposing other actions stated in this section.
- q. Impose liquidated damages. Contractor agrees that noncompliance with the requirements specified in the Program Attachment causes damages to System Agency that are difficult to ascertain and quantify. Contractor further agrees that System Agency may impose liquidated damages of \$250 for the first and second occurrence of noncompliance with the same requirement during a fiscal year; and \$500 for the third and subsequent occurrence(s) of noncompliance with the same requirement during the same fiscal year.

Section 17.06, Termination for Cause, Article XVII. Termination and Temporary Suspension is revised to add the following:

Either Party may terminate for material breach of this contract with at least thirty calendar days written notice to the other Party. System Agency may terminate this Contract, in whole or in part, for breach of contract or for any other conduct that jeopardizes the Contract objectives, by giving at least thirty calendar days written notice to Contractor. If breach is not cured or other conduct not remedied, then on the 30th day after notice, the System Agency may terminate this contract. Such conduct may include one or more of the following:

Actions or inactions that constitute breach of contract include, but are not limited to, the following:

- a. Failure to properly provide the services and/or goods purchased under this Contract;
- b. Failure to comply with any provision of this Contract including failure to comply with all applicable statutes, rules or regulations;
- c. Failure to pay refunds or penalties owed to the System Agency;
- d. Failure to comply with a repayment agreement with System Agency or agreed order issued by the System Agency;
- e. Contractor fails to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction;
- f. Contractor fails to communicate with System Agency or fails to allow its employees or those of its subcontractor

ATTACHMENT D – SUPPLEMENTAL AND SPECIAL CONDITIONS

- to communicate with System Agency as necessary for the performance or oversight of this Contract;
- g. Contractor breaches a standard of confidentiality with respect to the services provided under this Contract;
 - h. System Agency determines that Contractor is without sufficient personnel or resources to perform under this Contract or that Contractor is otherwise unable or unwilling to fulfill any of its requirements under this Contract;
 - i. System Agency determines that Contractor, its agent or another representative offered or gave a gratuity such as entertainment or gift to an official or employee of System Agency or HHSC for the purpose of obtaining a contract or favorable treatment;
 - j. System Agency determines that this Contract includes financial participation by a person who received compensation from System Agency to participate in developing, drafting or preparing the specifications, requirements or statement(s) of work or Solicitation Document on which this Contract is based in violation of Texas Government Code § 2155.004; or System Agency determines that Contractor was ineligible to receive this Contract under Texas Government Code §§ 2155.006 or 2261.053 related to certain disaster response contracts;
 - k. Contractor appears to be financially unstable. Indicators of financial instability may include one or more of the following:
 - 1) Contractor fails to make payments for debts;
 - 2) Contractor makes an assignment for the benefit of its creditors;
 - 3) Contractor admits in writing its inability to pay its debts generally as they become due;
 - 4) If judgment for the payment of money in excess of \$50,000 (that is not covered by insurance) is rendered by any court or governmental body against Contractor, and Contractor does not:
 - (a) discharge the judgment;
 - (b) provide for its discharge in accordance with its terms;
 - (c) procure a stay of execution within thirty calendar days from the date of entry of the judgment;
 - (d) if the execution is stayed within the thirty day period or a longer period during which execution of the judgment has been stayed, appeal from the judgment and cause the execution to be stayed during such appeal while providing such reserves for the judgment as may be required under Generally Accepted Accounting Principles;
 - 5) A writ, warrant of attachment or any similar process is issued by any court against all or any material portion of the property of Contractor and such is not released or bonded within thirty calendar days after its issuance;
 - 6) Contractor is adjudicated bankrupt or insolvent;
 - 7) Contractor files a case under the Federal Bankruptcy Code or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction or consents to the filing of any case or petition against it under any such law;
 - 8) Any property or portion of the property of Contractor is sequestered by court order and the order remains in effect for more than thirty calendar days after Contractor obtains knowledge of the sequestration;
 - 9) A petition is filed against Contractor under any state reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, then in effect, and the petition is not dismissed within thirty calendar days; or
 - 10) Contractor consents to the appointment of a receiver, trustee, or liquidator of Contractor or of all or any part of its property; or
 - 11) Any required license, certification, permit, registration or approval required to conduct Contractor's business or to perform under this Contract is not obtained or is revoked, surrendered, expires, is not renewed, becomes inactive or is suspended.

SPECIAL CONDITIONS

Section 1.01 Notice of a Contract Action.

Contractor shall notify their assigned contract manager assigned to the contract if Contractor has had any contract suspended or terminated for cause by any local, state or federal System Agency or agency or nonprofit entity 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 System Agency or agency or entity;
- c. Date of the contract;
- d. Date of suspension or termination; and
- e. Contract or case reference number.

Attachment E
FY 16 Federal Assurances and Certifications

OMB Number: 4040-0007
Expiration Date: 06/30/2014

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.





PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

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| <ol style="list-style-type: none"> 1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application. 2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives. 3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain. 4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency. 5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F). 6. 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 | <p>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.</p> <ol style="list-style-type: none"> 7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases. 8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds. |
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9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE 
APPLICANT ORGANIZATION 	DATE SUBMITTED 

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION <input type="text"/>	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input type="text"/>	* First Name: <input type="text"/> Middle Name: <input type="text"/>
* Last Name: <input type="text"/>	Suffix: <input type="text"/>
* Title: <input type="text"/>	
* SIGNATURE: <input type="text"/>	* DATE: <input type="text"/>