

SOAH CONTRACT NO. 360-22-529

**INTERAGENCY CONTRACT  
BETWEEN THE TEXAS HEALTH AND HUMAN SERVICES COMMISSION  
AND  
THE STATE OFFICE OF ADMINISTRATIVE HEARINGS**

STATE OF TEXAS	§
	§
COUNTY OF TRAVIS	§

This **INTERAGENCY CONTRACT** (the “Contract”) is made and entered into by and between the Texas Health and Human Services Commission (“HHSC” or “Receiving Agency”) and the State Office of Administrative Hearings (“SOAH” or “Performing Agency”) for administrative hearing services pursuant to Sections 2003.021 and 2003.024, Texas Government Code, and the authority granted in the Interagency Cooperation Act, Chapter 771, Texas Government Code.

**SECTION I. CONTRACT REPRESENTATIVES**

The following will act as the representative authorized to act on behalf of their respective Party:

Performing Agency

Name:	State Office of Administrative Hearings
Contact Person:	Shane Linkous, General Counsel
Address:	P.O. Box 13025
City and Zip:	Austin, Texas 78711-3025
Telephone:	(512) 936-6624
E-Mail Address:	<a href="mailto:shane.linkous@soah.texas.gov">shane.linkous@soah.texas.gov</a>

Inquiries relating to invoicing and payment may be directed to Performing Agency at [Invoicing@soah.texas.gov](mailto:Invoicing@soah.texas.gov).

Receiving Agency

Name:	Health and Human Services Commission Office of Chief Counsel
Contact Person:	Marianna Zolondek
Address:	4601 W. Guadalupe Mail Code 1100
City and Zip:	Austin, Texas 78751
Telephone:	(512) 424-6798
E-Mail Address:	<a href="mailto:Marianna.Zolondek@hhs.texas.gov">Marianna.Zolondek@hhs.texas.gov</a>

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Either Party may, from time to time, designate a new Contract Representative without the requirement for the execution of a written amendment to this Contract by giving written notice to the other party as provided by Section VII.

**SECTION II. STATEMENT OF SERVICES TO BE PROVIDED**

Performing Agency shall conduct for Receiving Agency administrative hearings in contested cases under Chapter 2001, Texas Government Code, that are referred to SOAH by HHSC and handle all matters related thereto, including pre-hearing and post-hearing matters, and the issuance of decisions or proposals for decision (as applicable). Performing Agency also may provide alternative dispute resolution services (mediation) for Receiving Agency. During the term of this Contract, Performing Agency shall act pursuant to Chapters 2001 and 2003, Texas Government Code, and other applicable law.

**SECTION III. CONTRACT TERM**

This Contract is effective on September 1, 2021, and terminates on August 31, 2023. The Parties may renew or extend the term of this Contract by amendment, subject to mutually agreeable terms and conditions.

**SECTION IV. AMENDMENT**

The Parties to this Contract may modify this Contract only through the execution of a written amendment signed by both Parties.

**SECTION V. BASIS FOR REIMBURSABLE COSTS**

Contract amounts are calculated in accordance with Section 2003.024, Texas Government Code, and the General Appropriations Act. The reimbursable cost for contested case hearings and mediations is based on SOAH's hourly rate of One Hundred Fifty Dollars (\$150.00) per hour for services rendered by an administrative law judge. To the extent that Receiving Agency pays contract costs with funds other than General Revenue, Receiving Agency is also required to pay an additional Forty-Three Dollars and Fifty Cents (\$43.50) per hour billed by an administrative law judge to reimburse the Performing Agency on a proportionate basis for employee benefit costs for salaries and wages as required by the General Appropriations Act (General Appropriations Act, S.B. 1, 87th Legislature, R.S., 2021, Article VIII, SOAH Riders 3 and 7). The required reimbursement is determined by calculating 29% of the non-General Revenue payment.

**SECTION VI. CONTRACT AMOUNT AND PAYMENT FOR SERVICES**

The total amount of this Contract for the biennium is Three Million Thirty-Nine Thousand Four Hundred Ninety-Eight and 00/100 Dollars (**\$3,039,498.00**), or One Million Five Hundred Nineteen Thousand Seven Hundred Forty-Nine and 00/100 Dollars (**\$1,519,749**) per fiscal year.

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The total Contract amount consists of amounts estimated to be allocated among HHSC agencies and programs as follows:

<b>Agency/Program</b>	<b>Dollar Amount per FY</b>	<b>Fringe per FY</b>	<b>Total Dollar Amount for the Biennium</b>
HHSC			
• HHSC	\$40,700.00	\$11,803.00	\$105,006.00
• Former DFPS	\$727,350.00	\$210,931.50	\$1,876,563.00
• Former DSHS	\$12,750.00	\$3,697.50	\$32,895.00
• Former DADS	\$370,600.00	\$107,474.00	\$956,148.00
<b>HHSC - subtotal</b>	<b>\$1,151,400.00</b>	<b>\$333,906.00</b>	<b>\$2,970,612.00</b>
DSHS - total	\$26,700.00	\$7,743.00	\$68,886.00
<b>Contract Total</b>	<b>\$ 1,178,100.00</b>	<b>\$341,649.00</b>	<b>\$3,039,498.00</b>

Performing Agency shall issue an invoice for the amount due at the start of each fiscal year. If Receiving Agency requires the invoice to include a Purchaser Order number, Receiving Agency shall provide the required Purchase Order to SOAH at [Invoicing@soah.texas.gov](mailto:Invoicing@soah.texas.gov).

Payment of each invoice is due no later than thirty (30) days after the date the HHSC received the invoice in accordance with Section 771.008(d), Texas Government Code. Receiving Agency shall pay the annual contract amount for fiscal year 2022 to Performing Agency on or before September 30, 2021. Receiving Agency shall pay the annual contract amount for fiscal year 2023 on or before September 30, 2022. Payment shall be made to SOAH in a lump-sum amount in accordance with Section 2003.024, Texas Government Code.

Receiving Agency shall pay for services received from appropriation items or accounts of Receiving Agency from which like expenditures would normally be paid. Payments received by Performing Agency shall be credited to its current appropriation items or accounts from which expenditures of that character were originally made.

## **SECTION VII. LEGAL NOTICES**

Any legal notice required or permitted to be given under this Contract must be in writing and may be given by regular first class mail and/or email and shall be deemed to have been given on the date of attempted or actual delivery to the recipient if addressed to the receiving party at the address specified in Section I.

## **SECTION VIII. AUDIT OF CONTRACT**

Performing Agency understands that acceptance of funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. The Parties agree to cooperate fully with each other, their authorized representatives, and the State Auditor's

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Office or its successor in the conduct of any audit or investigation, including providing all relevant records requested. Performing Agency will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Performing Agency and the requirement to cooperate is included in any subcontract it awards.

**SECTION IX. DISPUTE RESOLUTION**

The dispute resolution process provided for in Chapter 2009, Texas Government Code, must be used by Performing Agency and Receiving Agency to attempt to resolve all disputes arising under this Contract.

**SECTION X. CERTIFICATIONS**

The undersigned Parties certify that:

- A. The services specified above are necessary and essential for activities that are properly within the statutory functions and programs of the affected agencies of state government;
- B. Each Party representative executing this Contract on the Party's behalf has full power and authority to enter into this Contract;
- C. The proposed arrangements serve the interest of efficient and economical administration of state government;
- D. The services contracted for are not required by Section 21, Article XVI of the Constitution of Texas to be supplied under a contract awarded to the lowest responsible bidder; and
- E. The contract neither requires, nor permits, either party to exceed its duties and responsibilities or the limitations of its appropriated funds.

The Receiving Agency further certifies that it has statutory authority to contract for the services described in this contract under Section 771.003, Texas Government Code.

The Performing Agency further certifies that it has statutory authority to contract for the services described in this Contract under Sections 771.003, and 2003.021 and .024, Texas Government Code.

**SIGNATURE PAGE FOLLOWS**

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**SIGNATURE PAGE FOR SOAH CONTRACT NO. 360-22-529**

**TEXAS HEALTH AND HUMAN SERVICES  
COMMISSION**

**STATE OFFICE OF ADMINISTRATIVE  
HEARINGS**

DocuSigned by:  
  
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Karen Ray  
Chief Counsel



Kristofer S. Monson  
Chief Administrative Law Judge

Date August 11, 2021

Date August 6, 2021