



County of Santa Cruz

HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE
SANTA CRUZ, CA 95061
(831) 454-4066 FAX: (831) 454-4770

HEALTH SERVICES AGENCY ADMINISTRATION

July 17, 2002

AGENDA: August 13, 2002

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

RE: Approval of Master Agreements for Medi-Cal Administrative Activities (MAA)

Dear Members of the Board:

The Health Services Agency (HSA) requests your Board's approval of two Master Agreements which would allow community based service providers and local educational agencies (LEAs) to access federal reimbursement for the Medi-Cal Administrative Activities (MAA) program through the California State Department of Health.

Background

The MAA program began in **FY** 1995-96, replacing the previous Medi-Cal Administrative Claiming (MAC) SB 910 program. The MAA program reimburses counties, local agencies and schools (local education agencies) for performing certain health-related activities to assist Medi-Cal eligible individuals and families to access health care services. This federal program is administered by the State. Your Board previously authorized an agreement with the California State Department of Health which establishes HSA as the State's designated entity to administer MAA locally, and to enter into subsequent agreements with agencies to participate in the program.

Within Santa Cruz County, HSA, the Human Resources Agency (HRA), and their associated service providers participate in the program. In addition, several local education agencies are participating including the Pajaro Valley Unified School District, San Lorenzo Valley Unified School District, Live Oak School District; and Santa Cruz City Schools and Cabrillo College have completed initial time surveys to begin claiming. There are currently forty-two county, community and LEA programs participating in the MAA program.

On February 15, 2000, your Board approved a Master Agreement to be used with Community Based providers and on June 20, 2000 with LEAs to allow MAA claiming. Prior to use of the master agreements individual contracts, each with Board approval, were utilized.

Minor changes in state oversight of the MAA program necessitate updating the language of these master agreements. HSA also recommends changes in the contract format to allow greater flexibility in the **MAA** program, and to update standard County contract language.

The recommended format deletes specific contract amounts, but only allows contractors to be paid with federal funds for substantiated claims, in accordance within rigid State and federal guidelines. It is further recommended that these new agreements be approved retroactively to allow for any increases in claim amounts over and above what may be established in existing agreements.


All other financial arrangements found in existing agreements would remain which includes 1) a 15% retainer for Administration/program development for community based providers. This amount includes 10% retained by HSA administration for administrative expenses associated with program oversight and 5% retained by HRA to further objectives associated with efforts to maintain and/or expand capacity of community programs). Recommended use of the 5% funds will be brought to the Board for consideration during each budget cycle. 2) A 10% retention of LEAs claiming less than \$100,000 annually or an 8% retention for LEAs claiming greater than \$100,000 and which also prepares all necessary accounting worksheets.

The recommended Master Agreements establish roles and responsibilities of parties, program parameters, contract terms and conditions.

It is therefore RECOMMENDED that your Board:

- 1) Approve the attached master agreements to allow community service providers and local educational agencies to participate in MAA claiming; and
- 2) Authorize the Health Services Agency to enter into both retroactive and new contracts with both community based service providers and local education agencies to allow MAA claiming.

Sincerely,


 Rama Khalsa Ph.D.,
 Health Services Agency Director

RECOMMENDED:


 Susan A Mauriello
 County Administrative Officer

cc. Auditor-Controller
 County Counsel
 Health Services Agency
 Human Resources Agency

COUNTY OF SANTA CRUZ REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
County Administrative Office
Auditor Controller

FROM: Health Services Agency (Department)

BY: Ran Khalsa (Signature) 7-22-02 (Date)
Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement ☒Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)
and Various MAA Community Based Organizations (Name/Address)
2. The agreement will provide Federal Reimbursement for Medical Administrative Activities

3. Period of the agreement is from Date of Execution to Continuous
4. Anticipated Cost is \$ NA ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

Remarks: Update to Existing Master Agreement

5. Detail: ☒ On Continuing Agreements List for FY 02 - 03, page CC- 6 Contract No: 2035 OR ☐ 1st Time Agreement
- ☐ Section II No Board letter required, will be listed under Item 8
☐ Section III Board letter required
☐ Section IV Revenue Agreement
- Section I 3665

6. Appropriations/Revenues are available and are budgeted in 073236 360120 (Index) NA (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are N/A available and will be encumbered. Contract No: 2035

are not will be encumbered. By: Kaylar Date: 8/5/02
Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: _____

By: Shelly
County Administrative Office

Distribution:

Board of Supervisors - white
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

state of California
County of Santa Cruz

I, _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on _____ 20__

ADM - 29 (8/01)
Title I, Section 300 Proc Man

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

DO	\$	Lines	H/TL	Keyed By	Date
Document No.	JE Amount				
TC110	\$	Amount	Index	Sub object	User Code

MEDI-CAL ADMINISTRATIVE ACTIVITIES CLAIMING

County Department/Agency: The County of Santa Cruz through the
HEALTH SERVICES AGENCY – ADMINISTRATION
1080 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

NAME OF CONTRACTOR _____
ADDRESS _____
PHONE _____

hereinafter called CONTRACTOR for: Conducting federally reimbursable Medi-Cal Administrative Activities (MAA).

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000 the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in:

TITLEEXHIBIT

MAA Contract Provisions
Federal Contract Funds

A
B

Said exhibits attached hereto and incorporated into this Agreement by this reference.

IN WITNESS THEREOF COUNTY AND CONTRACTOR have executed this Contract Agreement to be effective:

Date: _____

until terminated by either party in accordance with the terms of this Agreement.

CONTRACTOR**COUNTY**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

HEALTH SERVICES AGENCY

Approved as to Form:

1. Larry A. Oberholzer III
County Counsel 7/17/02

Approved as to Insurances:

Janet McKinley 7-18-2002
Risk Management Division Chief

Index # 360120

Subobject # 3665

Contract # TBD

Amount N/A

Distribution:
County Administrative Officer
County Counsel
Auditor-Controller
Health Services Agency
Contractor

(Reserved for Clerk of the Board of Supervisors posting of minute order citation)

EXHIBIT A

MAA CONTRACT PROVISIONS

ARTICLE I - PURPOSE OF AGREEMENT

- A. This Agreement is entered into by the County and Contractor to establish a means of claiming Title XIX federal financial participation (FFP) for administrative costs necessary for the proper and efficient administration of the Medi-Cal Program as set forth in Welfare and Institutions (W&I) Code Section 14132.47.
- B. This Agreement is to assist the State of California, hereinafter referred to as State, and the County in the proper and efficient administration of the Medi-Cal Program. Assistance in providing Medi-Cal administration by the Contractor has been determined to be an effective method of assuring the availability and accessibility of Medi-Cal services to Medi-Cal eligible individuals served by the Contractor.
- C. The County recognizes the unique relationship that the Contractor has with Medi-Cal eligible individuals. It further recognizes the expertise of the Contractor in identifying and assessing the health care needs of Medi-Cal eligible individuals it serves. The County, in order to take advantage of this expertise and relationship, enters into this Agreement herewith.

ARTICLE II - MUTUAL OBJECTIVES

Both parties to the Agreement agree:

- A. To ensure that potentially eligible Medi-Cal individuals and families served by the Contractor are informed of the Medi-Cal Program, how to access benefits and services, and are assisted with access, where appropriate.
- B. To ensure that assistance is provided to Medi-Cal eligible individuals and their families where appropriate, facilitating their receipt of services and activities in the Medi-Cal Program.
- C. That this Agreement is governed by 42 United States Code (USC), Section 1396 et seq., 42 Code of Federal Regulations (CFR) Part 400 et seq., and 45 CFR Part 95, California W&I Code, Division 9, Part 3, Chapter 7 (commencing with Section 14000) and Chapter 8 (commencing with Section 14200), and Title 22 California Code of Regulations (CCR), Division 3 (commencing with Section 50000), all as periodically amended; and by federal Office of Management and Budget (OMB) Circular A-87, as periodically amended.

ARTICLE III - CONTRACTOR RESPONSIBILITIES

- A. Perform Medi-Cal Administrative Activities (MAA) on behalf of the State and County to assist in the proper and efficient administration of the Medi-Cal Program by improving the availability and accessibility of Medi-Cal services to Medi-Cal eligible and potentially eligible individuals, and their families (where appropriate) served by the Contractor.
- B. Using the State Department of Health Services form DHS 7094, conduct an annual time survey for one month as selected by the State. The survey will identify all time spent on each of the allowable MAA, non-claimable activities, General Administration and Paid Time Off, which are proportionately allocated to all activities.
- C. Document the activities of staff performing MAA in accordance with established State guidelines.
- D. Comply with enabling legislation, regulations, administrative claiming process directives, and program policy letters of the State Department of Health Services, as well as directives from the County.
- E. Comply with the comprehensive MAA claiming plan approved by the County and State.
- F. Provide the County with complete invoice and expenditure information to include in its summary MAA claim no later than twelve (12) months after the end of the quarter for which the claim is being submitted. This information shall be provided in a standardized Detailed Invoice as provided by the State via the County and as identified in Article IV, County Responsibilities, Item B.

The Detailed Invoice identifies the claim categories to which expenditure data must adhere for insertion into the CMS 64 (State claim for FFP) and shall be submitted by Contractor to claim MAA costs pursuant to this Agreement. All elements of the Detailed Invoice for the programs being claimed shall correspond to the description of staff and allowable activities outlined in the Contractor's claim plan.

- G. Certify the non-federal match from the Contractor's General Fund, or from any other funds allowed under federal law and regulation, for Title XIX funds claimed for MAA performed pursuant to Welfare and Institutions Code Section 141321.47. The State and/or County shall deny payment of any claim submitted under this Agreement if it determines that the certification is not adequately supported for purposes of FFP.
- H. Retain all necessary records for a minimum of five (5) years after the end of the quarter in which the expenditures were incurred for MAA and, if an audit is in progress, all records relevant to the audit shall be retained until the completion of the audit or the final resolution of all audit exceptions, deferrals and/or disallowances,

whichever is later. The records shall fully disclose the type and extent of MAA performed by appropriate staff. The Contractor shall furnish said documentation, and any other information regarding payments for performing MAA, upon request, to the County, State or the federal government.

- I. Be responsible to the State and County for all requirements under this Agreement even though the requirements may be carried out pursuant to a subcontract. All subcontracts shall include provisions requiring compliance with the terms and conditions of this Agreement. All non-governmental entities performing MAA pursuant to the provisions of this Agreement shall be deemed true subcontractors of the Contractor.
- J. Designate an employee to act ~~as~~ the liaison with the County for issues concerning this Agreement.
- K. Not discriminate against any client or family in the provision of services because of race, color, religion, national origin, ancestry, disability, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 18), veteran status, gender or pregnancy.

ARTICLE IV - COUNTY RESPONSIBILITIES

- A. Process Contractor claims for reimbursement of the allowable actual costs of performing MAA necessary for the proper and efficient administration of the Medi-Cal Program. The costs may include the expenses of staff, and the operating expenses and equipment costs necessary to collect data, disseminate information, and carry out the activities outlined in this Agreement. Reimbursement shall be made subsequent to the quarter for which a claim for Medi-Cal administrative activities is made and after the County receives claim reimbursement from the State.
- B. Provide the Contractor with a standardized format for the Detailed Invoice and MAA Claiming Plan, and any subsequent updates as provided by the State.
- C. Review Claiming Plans and Contractor initiated amendments to the Claiming Plan. Any amendment that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- D. Submit County approved claiming plans and amendments to the State for review and approval.
- E. Review, and process Contractor claims. Any claim that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- F. Make available to Contractor training and technical support on proper MAA to be claimed, identifying costs related to these activities, and billing procedures.

- G. Designate a liaison with the Contractor for issues regarding this Agreement. All such issues shall be directed to:

MAA/TCM Coordinator
County Health Services Agency
1080 Emeline Avenue, 2nd floor
Santa Cruz, CA 95060

ARTICLE V - JOINT RESPONSIBILITIES

- A. The County and Contractor hereby agree to comply with all applicable laws governing the confidentiality of client information for Medi-Cal clients served by the Contractor, or subcontractor, under this Agreement. Applicable laws include, but are not limited to, 42 USC Section 139a(a) 7, 42 CFR Section 43.1.300, W&I Code, Section 14100.2, and 22 CCR Section 51009.
- B. Both parties accept and agree to comply with the applicable standards set forth in the State of California, Department of Health Services, Additional Provisions (for Federally Funded Subvention Aid/Local Assistance Cost Reimbursement Agreements/Grants), which is incorporated by reference and made part of this Agreement as though fully set forth herein.

ARTICLE VI - TERM OF AGREEMENT

- A. This Agreement may be amended at any time by mutual written agreement of the two parties to this Agreement. The Contractor must address a written request for amendment to the County per Article IV, Item G.
- B. Either party hereto may terminate this Agreement at any time by giving thirty (30) days written notice to the other party.

ARTICLE VII - FISCAL PROVISIONS

- A. Reimbursement under this Agreement shall be made in the following manner:
1. Upon the Contractor's compliance with all provisions pursuant to this Agreement, and upon the submission of a quarterly Detailed Invoice, the County agrees to process claims for reimbursement. Reimbursement is conditioned on the Contractor supplying the aforementioned valid and substantiated information, satisfactorily to the County within the time limits specified in this Agreement. Reimbursement shall not be withheld pending the submission of similar claims by other claiming units which have entered into a similar Agreement.

2. The Detailed Invoice shall be submitted quarterly to the address noted in Article IV, G above.
 3. Both the County and Contractor agree that the validity and enforceability of this Agreement are contingent upon the availability of funds appropriated by the U.S. Congress as outlined in Exhibit B.
 4. This Agreement will automatically terminate, without penalty by operation of law, at the end of the term for which funds are appropriated by the U.S. Congress.
 5. Transfer of funds is contingent upon the availability of Federal Financial Participation - FFP.
 6. The Contractor shall reply in a timely manner to a request for information or to audit exceptions by County, State and federal audit agencies that directly relate to the MAA to be performed under this Agreement. Both parties to this Agreement recognize that the Contractor is liable only for audit exceptions which relate to MAA under this Agreement, and has no liability for any other claiming unit which may enter into a similar Agreement with the County for the performance of MAA.
- B. The FFP revenue received by County as a result of Contractor claim will be distributed based on the following percentage methodology:

Contractor Reimbursement	85%
Administrative/Program Support Fee (retained by County)	15%

NOTE: The administrative/program support fee retained by County shall be used as follows: 1) 10% to cover the cost of administering the MAA claiming process including, but not limited to: claim plan development in consultation with Contractor, claims preparation in consultation with Contractor, claims processing, technical assistance, training and monitoring; and 2) 5% will be retained by County to enhance and/or expand community health and social services within the County.

VIII - LIMITATION OF STATE/COUNTY LIABILITY

Notwithstanding any other provision of this Agreement, the State and County shall be held harmless, in accordance with paragraphs A and B below, from any federal audit disallowance and interest resulting from payments made to the Contractor pursuant to W&I Code Section 14132.47, and this Agreement.

- A. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Contractor has received reimbursement for MAA, the County shall recoup from the Contractor, within 30 days, through offsets or by direct billing,

amounts equal to the amount of the disallowance, plus any interest charged by the State and/or federal governments. All subsequent claims submitted to the County applicable to any previously disallowed Medi-Cal administrative activity or claim, may be held in abeyance, with no payment made, until the federal disallowance issue is resolved.

- B. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Contractor has received reimbursement for MAA performed by a non-governmental entity under Agreement with, and on behalf of, the Contractor, the State and County shall be held harmless by Contractor for 100percent of the amount of any such final federal audit disallowance and interest.

ARTICLE IX - GENERAL PROVISIONS

- A. This Agreement constitutes the entire Agreement between the parties. Any condition, provision, or agreement of understanding not stated in this Agreement shall not affect any right, duties or privileges in connection with this Agreement.
- B. The State and County shall have the right to access, examine monitor and audit all records, documents, conditions and activities of the Contractor and their subcontractors related to the programs funded by this Agreement.
- C. The term "days" as used in this Agreement shall mean calendar days unless specified otherwise.
- D. Should any disagreement arise between the County and Contractor on any provisions of this Agreement, the parties agree that the same shall be submitted in writing to each other and be the subject of discussion between the County liaison and Contractor liaison herewith designated, and in a good faith effort, to achieve resolution. If mutual agreement cannot be reached within 30 days after receipt of the written issue of dispute, the Contractor may request a meeting with the County Health Services Agency Administrator, or designee, to present its concerns. If the Administrator, or designee cannot meet, the County shall respond in writing to the Contractor, with the County's position. Thereafter, the decision of the Administrator shall be final. The date of "receipt" shall be the date the written disagreement is postmarked.
- E. None of the provisions of this Agreement are or shall be construed as for the benefit of or enforceable by any person not a party to this Agreement.
- F. No covenant, condition, duty, obligation, or undertaking continued or made a part of this Agreement shall be waived except by amendment to the Agreement by the parties hereto, and forbearance or indulgence in any other form or manner by either party in any regard whatsoever shall not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed or discharged by the party to which the same may apply; and until performance or satisfaction of all covenants,

Medi-Cal Administrative Activities
Community Based Organizations

conditions, duties, obligations, or undertakings is complete, the other party shall have the right to invoke any remedy available under this Agreement, or under law, notwithstanding such forbearance or indulgence.

- G. The Contractor is responsible for the acts or omissions of its employees and/or subcontractors. Submission of a falsified Detailed Invoice by Contractor shall constitute a breach of Agreement. Submission of a Detailed Invoice for which there is no supporting documentation by Contractor may constitute a breach of Agreement. The conviction of an employee or subcontractor of the Contractor, or of an employee of a subcontractor, of any felony or of a misdemeanor involving fraud, abuse of any Medi-Cal applicant or beneficiary, or abuse of the Medi-Cal Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the MAA claiming process. Failure of Contractor to exclude a convicted individual from participation in the MAA claiming process, shall constitute a breach of Agreement.

Exclusion after conviction shall result regardless of any subsequent order under Section 1203.4 of the Penal Code allowing a person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment. Suspension or exclusion of an employee or subcontractor, or of an employee of a subcontractor, from participation in the Medi-Cal Program, the Medicaid Program, or the Medicare Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the MAA claiming process. Failure of a Contractor to exclude a suspended or excluded individual from participation in the MAA claiming process shall constitute a breach of Agreement.

Revocation, suspension, or restriction of the license, certificate, or registration of any employee, subcontractor, or employee of a subcontractor, shall result in exclusion from the MAA claiming process, when such license, certificate, or registration is required for the performance of MAA claiming activities. Failure of Contractor to exclude an individual whose license, certificate, or registration has been revoked, suspended, or restricted, from participation in the MAA claiming process, may constitute a breach of Agreement.

X. EQUAL EMPLOYMENT OPPORTUNITY

During and in relation to the performance of this Agreement, Contractor agrees to not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. Contractor agrees to post

in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

XI. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

- A. Contractor shall exonerate, indemnify, defend, and hold harmless the County (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
1. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which County may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with Contractor's performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the County. Such indemnification includes any damage to the person(s), or property(ies) of Contractor and third persons; and
 2. Any and all Federal, State and local taxes, charges, fees, or contributions required to be paid with respect to Contractor and Contractor's officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

EXHIBIT B

FEDERAL CONTRACT FUNDS

1. It is mutually understood between the parties that this contract may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the contract were executed after the determination was made.
2. This contract is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the purposes of this program. In addition, this contract is subject to any additional restrictions, limitations or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this contract in any manner.
3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
4. Each party has the option to void the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction of funds.

COUNTY OF SANTA CRUZ

REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
County Administrative Office
Auditor Controller

FROM: Health Services Agency (Department)

BY: *R. K. Kline* (Signature) 7-22-02 (Date)
Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement ☒

Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)
anti Various MAA Local Education Agencies (Name/Address)

2. The agreement will provide Federal Reimbursement for Medical Administrative Activities

3. Period of the agreement is from Date of Execution to Continuous

4. Anticipated Cost is \$ NA ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

Remarks: Update to Existing Master Agreement

5. Detail: ☒ On Continuing Agreements List for FY 02 - 03, Page CC- 6 Contract NO: _____ OR ☐ 1st Time Agreement
☐ Section II No Board letter required, will be listed under Item 8 NEEDS NEW CONTRACT NUMBER
☐ Section III Board letter required
☐ Section IV Revenue Agreement SECTION I

360120

6. Appropriations/Revenues are available and are budgeted in 98886 (Index) 3665 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are N/A have been
are not available and encumbered.
will be

Contract No: 22852

By: *R. K. Kline*
Auditor Controller Deputy

Date: 8/5/02

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize
Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: _____

By: _____
County Administrative Office

Distribution:

Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

State of California
County of Santa Cruz

I, _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,
State of California, do hereby certify that the foregoing request for approval of agreement was ap-
proved by said Board of Supervisors as recommended by the County Administrative Office by an
order duly entered in the minutes of said Board on _____ 20__

ADM - 29 (8/01)
Title ☒ Section 300 Proc Man

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	\$	JE Amount	Lines	H/TL	Keyed By	Date
TC110			\$		/	
Auditor Description			Amount	Index	Sub object	User Code

21

MEDI-CAL ADMINISTRATIVE ACTIVITIES CLAIMING

County Department/Agency: The County of Santa Cruz through the
HEALTH SERVICES AGENCY – ADMINISTRATION
1080 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

NAME OF CONTRACTOR _____
ADDRESS _____
PHONE _____

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<u>TITLE</u>	<u>EXHIBIT</u>
MAA Contract Provisions	A
Federal Contract Funds	B

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Date: _____
until terminated by either party in accordance with the terms of this Agreement.

CONTRACTOR

COUNTY

By: _____

By: _____


Name: _____

Name: _____

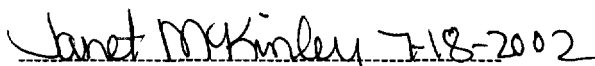
Title: _____

HEALTH SERVICES AGENCY

Approved as to Form:


County Counsel 7/12/02

Approved as to Insurances:


Risk Management Division Chief

Index # 360120

Subobject # 3665

Contract # TBD

Amount N/A

Distribution:
County Administrative Officer
County Counsel
Auditor-Controller
Health Services Agency
Contractor

(Reserved for Clerk of the Board of Supervisors posting of minute order citation)

EXHIBIT A

MAA CONTRACT PROVISIONS

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ARTICLE III - CONTRACTOR RESPONSIBILITIES

Perform Medi-Cal Administrative Activities (MAA) on behalf of the State and County to assist in the proper and efficient administration of the Medi-Cal Program by improving the availability and accessibility of Medi-Cal services to Medi-Cal eligible and potentially eligible students, and their families, where appropriate, served by the Contractor.

- B. Using the State Department of Health Services form DHS 7094, conduct ~~an~~ annual time survey for one month as selected by the State. The survey will identify all time spent on each of the allowable MAA, non-claimable activities, and General Administration and Paid Time Off (which are proportionately allocated to all activities).

Document the activities of staff performing MAA in accordance with established State guidelines.

- D. Comply with enabling legislation, regulations, administrative claiming process directives, and program policy letters of the State Department of Health Services, as well as directives from the County.

Comply with the comprehensive MAA claiming plan approved by the County and State.

Provide the County with complete invoice and expenditure information to include in its summary MAA claim no later than twelve (12) months after the end of the quarter for which the claim is being submitted. This information shall be provided in a standardized Detailed Invoice as provided by the State via the County and as identified in Article IV, County Responsibilities, Item B.

The Detailed Invoice identifies the claim categories to which expenditure data must adhere for insertion into the CMS **64** (State claim for FFP) and shall be submitted by Contractor to claim MAA costs pursuant to this Agreement. All elements of the Detailed Invoice for the programs being claimed shall correspond to the description of staff and allowable activities outlined in the Contractor's claim plan.

1. The maximum rate of federal reimbursement compensation (salary and benefits), travel and training costs of activities qualifying under federal regulations applying to "Skilled Professional Medical Personnel - SPMP" of a public agency and their "directly supporting staff" shall be 75 percent of such costs for activities identified as "enhanced." The maximum rate of reimbursement for allowable costs of activities identified as "non-enhanced", performed by SPMP and their directly supporting staff, shall be 50 percent. The maximum rate of reimbursement for all allowable costs other than compensation, travel and training, applicable to SPMPs and their directly supporting staff, shall be 50 percent.

2. A SPMP is defined as an employee of the Contractor who has completed a 2-year or longer program leading to an academic degree or certification in a medically-related profession and who performs duties and responsibilities requiring professional medical knowledge and skills. Contractor must provide to County and retain on file a certifying questionnaire indicating SPMP status, if enhanced funding is claimed for the position(s). SPMP employees performing Program Planning and Policy Development activities as defined by MAA regulation may be eligible for 75 percent reimbursement for that activity.
 3. The maximum rate of federal reimbursement is 50 percent FFP for all costs of non-SPMPs and all costs of subcontractors performing allowable administrative activities as defined in Article III, Contractor Responsibilities, Section A.
- F. Certify the non-federal match from the Contractor's General Fund, or from any other funds allowed under federal law and regulation, for Title XIX funds claimed for MAA performed pursuant to Welfare and Institutions Code Section 141321.47. The State and/or County shall deny payment of any claim submitted under this Agreement if it determines that the certification is not adequately supported for purposes of FFP.
- G. Retain all necessary records for a minimum of five (5) years after the end of the quarter in which the expenditures were incurred for MAA. If an audit is in progress, all records relevant to the audit shall be retained until the completion of the audit or the final resolution of all audit exceptions, deferrals and/or disallowances, whichever is later. The records shall fully disclose the type and extent of MAA performed by appropriate staff. The Contractor shall furnish said documentation, and any other information regarding payments for performing MAA, upon request, to the County, State or the federal government, subject to applicable confidentiality laws and regulations.
- H. Be responsible to the State and County for all requirements under this Agreement even though the requirements may be carried out pursuant to a subcontract. All subcontracts shall include provisions requiring compliance with the terms and conditions of this Agreement.
- I. Ensure that individual staff do not simultaneously claim funds through Targeted Case Management (TCM) and MAA.
- J. Designate an employee to act as the liaison with the County for issues concerning this Agreement.
- K. Not discriminate against any individual or family in the provision of services because of race, color, religion, national origin, ancestry, disability, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 18), veteran status, gender or pregnancy.

ARTICLE IV - COUNTY RESPONSIBILITIES

- A. Process Contractor claims for reimbursement of the allowable actual costs of performing MAA necessary for the proper and efficient administration of the Medi-cal Program. The costs may include the expenses of staff, and the operating expenses and equipment costs necessary to collect data, disseminate information, and carry out the activities outlined in this Agreement, as outlined in the State approved claim plan. Reimbursement shall be made subsequent to the quarter for which a claim for Medi-Cal administrative activities is made and after the County receives claim reimbursement from the State.
- B. Provide the Contractor with a standardized format for the Detailed Invoice and MAA Claiming Plan, and any subsequent updates as provided by the State.
- C. Review Claiming Plans and Contractor initiated amendments to the Claiming Plan. **Any** amendment that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- D. Submit County approved claiming plans and amendments to the State for review and approval.
- E. Review, and process Contractor claims. Any claim that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- F. Make available to Contractor training and technical support on proper MAA to be claimed, identifying costs related to these activities, and billing procedures.
- F. Designate a liaison with the Contractor for issues regarding this Agreement. All such issues shall be directed to:

MAA/TCM Coordinator
County Health Services Agency
1080 Emeline Avenue, 2nd floor
Santa Cruz, CA 95060

ARTICLE V - JOINT RESPONSIBILITIES

- A. The County and Contractor hereby agree to comply with all applicable laws governing the confidentiality of client information for Medi-Cal clients served by the Contractor, or subcontractor, under this Agreement. Applicable laws include, but are not limited to, 42 USC Section 139a(a) 7, 42 CFR Section 431.300, W&I Code, Section 14100.2, and 22 CCR Section 51009.
- B. Both parties accept and agree to comply with the applicable standards set forth in the State of California, Department of Health Services, Additional Provisions (for

Federally Funded Subvention Aid/Local Assistance Cost Reimbursement Agreements/Grants), which is incorporated by reference and made part of this Agreement as though fully set forth herein.

ARTICLE VI - TERM OF AGREEMENT

- A. This Agreement may be amended at any time by mutual written agreement of the two parties to this Agreement. The Contractor must address a written request for amendment to the County per Article IV, Item C.
- B. Either party hereto may terminate this Agreement at any time by giving thirty (30) days written notice to the other party.

ARTICLE VII - FISCAL PROVISIONS

- A. Reimbursement under this Agreement shall be made in the following manner:
 - 1. Upon the Contractor's compliance with all provisions pursuant to this Agreement, and upon the submission of a quarterly Detailed Invoice, the County agrees to process claims for reimbursement. Reimbursement is conditioned on the Contractor supplying the aforementioned valid and substantiated information, satisfactorily to the County within the time limits specified in this Agreement. Reimbursement shall not be withheld pending the submission of similar claims by other claiming units which have entered into a similar Agreement.
 - 2. The Detailed Invoice shall be submitted quarterly to the address noted in Article IV, F above.
 - 3. Both the County and Contractor agree that the validity and enforceability of this Agreement are contingent upon the availability of funds appropriated by the U.S. Congress as set forth in Exhibit B.
 - 4. This Agreement will automatically terminate, without penalty by operation of law, at the end of the term for which funds are appropriated by the U.S. Congress.
 - 5. Transfer of funds is contingent upon the availability of Federal Financial Participation - FFP.
 - 6. The Contractor shall reply in a timely manner to a request for information or to audit exceptions by County, State and federal audit agencies that directly relate to the MAA to be performed under this Agreement. Both parties to this Agreement recognize that the Contractor is liable only for audit exceptions which relate to MAA under this Agreement, and has no liability for any other claiming unit which may enter into a similar Agreement with the County for the performance of MAA.

B. The FFP revenue received by County as a result of Contractor claim will be distributed based on the following percentage methodologies:

1. Annual fiscal year claim amount exceeds \$100,000 and Contractor prepares MAA accounting worksheets.

Contractor Reimbursement	92%
Administrative Fee (retained by County)	8%

2. Annual fiscal year claim amount does not exceed \$100,000.

Contractor Reimbursement	90%
Administrative Fee (retained by County)	10%

NOTE: The administrative fee retained by County shall be used to cover the cost of administering the MAA claiming process including, but not limited to: claim plan development in consultation with Contractor, claims preparation in consultation with Contractor, claims processing, technical assistance, training and monitoring.

VIII - LIMITATION OF STATE/COUNTY LIABILITY

Notwithstanding any other provision of this Agreement, the State and County shall be held harmless, in accordance with paragraphs A and B below, from any federal audit disallowance and interest resulting from payments made to the Contractor pursuant to W&I Code Section 14132.47, and this Agreement.

- A. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Contractor has received reimbursement for MAA, the County shall recoup from the Contractor, within 30 days, through offsets or by direct billing, amounts equal to the amount of the disallowance, plus any interest charged by the State and/or federal governments. All subsequent claims submitted to the County applicable to any previously disallowed Medi-Cal administrative activity or claim, may be held in abeyance, with no payment made, until the federal disallowance issue is resolved.
- B. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Contractor has received reimbursement for MAA performed by a non-governmental entity under Agreement with, and on behalf of, the Contractor, the State and County shall be held harmless by Contractor for 100 percent of the amount of any such final federal audit disallowance and interest.

ARTICLE IX - GENERAL PROVISIONS

- A. This Agreement constitutes the entire Agreement between the parties. Any condition, provision, or agreement of understanding not stated in this Agreement shall not affect any right, duties or privileges in connection with this Agreement.
- B. The State and County shall have the right to access, examine, monitor and audit all records, documents, conditions and activities of the Contractor and their subcontractors related to the programs funded by this Agreement, subject to applicable confidentiality laws and regulations.
- C. The term "days" as used in this Agreement shall mean calendar days unless specified otherwise.
- D. Should any disagreement arise between the County and Contractor on any provisions of this Agreement, the parties agree that the same shall be submitted in writing to each other and be the subject of discussion between the County liaison and Contractor liaison herewith designated, and in a good faith effort to achieve resolution. If mutual agreement cannot be reached within 30 days after receipt of the written issue of dispute, the Contractor may request a meeting with the County Health Services Agency Administrator, or designee, to present its concerns. If the Administrator, or designee cannot meet, the County shall respond in writing to the Contractor, with the County's position. Thereafter, the decision of the Administrator shall be final. The date of "receipt" shall be the date the written disagreement is postmarked.
- E. None of the provisions of this Agreement are or shall be construed as for the benefit of or enforceable by any person not a party to this Agreement.
- F. No covenant, condition, duty, obligation, or undertaking continued or made a part of this Agreement shall be waived except by amendment to the Agreement by the parties hereto, and forbearance or indulgence in any other form or manner by either party in any regard whatsoever shall not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed or discharged by the party to which the same may apply; and until performance or satisfaction of all covenants, conditions, duties, obligations, or undertakings is complete, the other party shall have the right to invoke any remedy available under this Agreement, or under law, notwithstanding such forbearance or indulgence.
- G. The Contractor is responsible for the acts or omissions of its employees and/or subcontractors. Submission of a falsified Detailed Invoice by Contractor shall constitute a breach of Agreement. Submission of a Detailed Invoice for which there is no supporting documentation by Contractor may constitute a breach of Agreement. The conviction of an employee or subcontractor of the Contractor, or of an employee of a subcontractor, of any felony or of a misdemeanor involving fraud, abuse of any Medi-Cal applicant or beneficiary, or abuse of the Medi-Cal Program, shall result in

the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the MAA claiming process. Failure of Contractor to exclude a convicted individual from participation in the MAA claiming process, shall constitute a breach of Agreement.

Exclusion after conviction shall result regardless of any subsequent order under Section **1203.4** of the Penal Code allowing a person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment. Suspension or exclusion of an employee or subcontractor, or of an employee of a subcontractor, from participation in the Medi-Cal Program, the Medicaid Program, or the Medicare Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the MAA claiming process. Failure of a Contractor to exclude a suspended or excluded individual from participation in the MAA claiming process shall constitute a breach of Agreement.

Revocation, suspension, or restriction of the license, certificate, or registration of any employee, subcontractor, or employee of a subcontractor, shall result in exclusion from the MAA claiming process, when such license, certificate, or registration is required for the performance of MAA claiming activities. Failure of Contractor to exclude an individual whose license, certificate, or registration has been revoked, suspended, or restricted, from participation in the MAA claiming process, may constitute a breach of Agreement.

X. EQUAL EMPLOYMENT OPPORTUNITY

During and in relation to the performance of this Agreement, Contractor agrees to not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

XI. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

Contractor shall exonerate, indemnify, defend, and hold harmless the County (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:

- A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which County may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with Contractor's performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the County. Such indemnification includes any damage to the person(s), or property(ies) of Contractor and third persons; and
- B. Any and all Federal, State and local taxes, charges, fees, or contributions required to be paid with respect to Contractor and Contractor's officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

EXHIBIT B

FEDERAL CONTRACT FUNDS

1. It is mutually understood between the parties that this contract may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the contract were executed after the determination was made.
2. This contract is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the purposes of this program. In addition, this contract is subject to any additional restrictions, limitations or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this contract in any manner.
3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
4. Each party has the option to void the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction of funds.