

STATE OF TEXAS

COUNTY OF TRAVIS

**AGREEMENT
BETWEEN THE
HEALTH & HUMAN SERVICES COMMISSION
AND
“NAME OF ANCHOR ENTITY HERE”
REGARDING ADMINISTRATIVE SERVICES PROVIDED
IN ACCORDANCE WITH
THE
TEXAS TRANSFORMATION AND QUALITY IMPROVEMENT 1115 WAIVER PROGRAM**

THIS agreement (the “Contract”) is entered into between the HEALTH AND HUMAN SERVICES COMMISSION (“HHSC”), an administrative agency within the executive department of the State of Texas, having its principal office at 4900 North Lamar Boulevard, Austin, Texas 78751, and _____ (“Anchor”), an _____ organization under the laws of the State of Texas, having its principal place of business at: _____ . HHSC and the Anchor may be referred to in this Contract individually as a “Party” and collectively as the “Parties.”

This Contract provides for certain administrative functions to be provided to HHSC by the Anchor with respect to the Texas Transformation and Quality Improvement Program 1115 Waiver (the “Waiver”).

The Anchor is a member of a Regional Healthcare Partnership (“RHP”), and is a (check one):

- public hospital,
- hospital district,
- other hospital authority,
- county government, or
- State university with a health science center or medical school.

The Anchor is responsible under the Contract for coordinating RHP activities, and assisting HHSC in the performance of key RHP oversight and reporting responsibilities, as detailed in Section 1.05 below.

The Parties agree that the following terms and conditions will apply to the administrative services, deliverables, and intergovernmental transfers to be provided by the Anchor under this Contract, in consideration of certain payments to be made by HHSC to the Anchor.

Section 1.01 Purpose.

The Waiver authorizes the State of Texas (“Texas”) to establish a Delivery System Reform Incentive Payment (“DSRIP”) program. Texas has twenty (20) RHPs whose members may participate in DSRIP. Each RHP has one (1) governmental entity that HHSC has designated to assist HHSC in coordinating the RHP’s activities, which will be referred to as the “Anchor.”

The purpose of this Contract is to provide a delegation of certain administrative functions shown in Section 1.05 below to the Anchor from HHSC, with respect to the implementation of the Waiver within the Anchor's RHP, and to provide a corresponding mechanism for certain matching payments by HHSC to the Anchor utilizing Federal Medicaid matching funds for the Anchor's performance of the administrative functions shown in Section 1.05 below.

Section 1.02 *Term and Termination.*

This Contract shall be effective on October 1, 2012, and continue in effect through September 30th, 2016, unless sooner terminated or extended pursuant to the terms and conditions of this Contract.

The Parties agree that the terms and conditions of the Contract shall remain in effect and continue to govern except to the extent expressly modified in writing and duly executed by the Parties.

Section 1.03 *Contract Elements.*

The Contract between the Parties will consist of this Contract document, and

- (1) Attachment A, Cost Principles for Expenses for the 1115 Waiver (attached hereto and incorporated as **Exhibit A** to this Contract), and all amendments thereto (hereinafter, the "Cost Principles");
- (2) HHSC's Uniform Contract Terms and Conditions, Version 1.4.1 (attached hereto and incorporated as **Exhibit B** to this Contract), and all amendments thereto (hereinafter, the "Uniform Terms and Conditions"); and
- (3) The DSRIP Program Funding and Mechanics Protocol, dated May 29, 2014 (attached hereto and incorporated as **Exhibit C** to this Contract), and all amendments thereto (hereinafter, the "Program Protocol").

In the event of any conflict or contradiction between or among the Contract elements identified above, the documents will control in the following order of precedence: (1) this Contract document, (2) the Uniform Terms and Conditions, (3) the Program Protocol, and (4) the Cost Principles.

Section 1.04 *Anchor's Commitment and Understanding.*

In entering into this Contract, the Anchor has had the opportunity to review and understand HHSC's requirements and objectives, as stated in the Program Protocol, dated May 29, 2014; and in the Special Terms and Conditions for the Texas Healthcare Transformation and Quality Improvement Program section 1115(a) Medicaid demonstration (the "STCs"), as attached to the Centers for Medicare and Medicaid Services' (CMS) approval letter to HHSC dated December 12, 2011, and subsequent approval of the Administrative Cost Protocol, dated May 29, 2014. Based on such review and understanding, the Anchor represents and warrants that it has the capacity to perform the administrative functions in Section 1.05 below and meet HHSC's objectives, in accordance with the terms and conditions of this Contract.

Section 1.05 *Statement of Services to be Performed.*

HHSC delegates to the Anchor the administrative functions identified in this Section of this Contract with respect to the RHP for Demonstration Year Two through Demonstration Year Five (that is, October 1st, 2012 through September 30th, 2016), as those terms are defined in the STCs. The administrative functions delegated by HHSC to the Anchor are described as follows:

- (1) The provision of appropriate accounting, human resources, and data management resources for the RHP;
- (2) The coordination of RHP annual reporting, as specified in the Program Protocol, on the status of projects and the performance of Performing Providers (as defined in the Program Protocol) in the region;
- (3) The provision of RHP data management for purposes of evaluation;
- (4) The development and facilitation of one or more regional learning collaboratives;
- (5) Communication with stakeholders in the region, including the public; and
- (6) Communication on behalf of the RHP with HHSC.

The administrative functions listed above may be more fully detailed and defined by HHSC, working in conjunction with the Anchor.

Anchor will perform the above administrative functions for the Waiver as an allowable Medicaid administrative activity necessary for the proper and efficient administration of the State Medicaid Plan for Texas, under the authority of section 1903(a)(7) of the Social Security Act.

Section 1.06 Intergovernmental Transfer

To the extent that the Anchor performs the administrative functions shown in Section 1.05 above under the auspices of HHSC (as referenced in Section 1.04 herein), in its capacity as the State Medicaid agency, in accordance with the applicable cost principles under Office of Management and Budget, Circular A-87, HHSC may claim expenditures related to the Anchor for Anchor's performance of the administrative functions, at the fifty percent (50%) Federal Medicaid matching rate specified at 42 CFR 433.15(b)(7).

The total matching amount that the Anchor will transfer to HHSC under this Contract will equal fifty percent (50%) of the Anchor's costs for the Section 1.05 administrative functions provided hereunder, per Federal Fiscal Year (FFY). However, the Anchor may not submit costs per FFY to HHSC hereunder in excess of the lesser of: (a) two million dollars (\$2,000,000), or (b) two and one-half percent (2.5%) of the Anchor's RHP DSRIP allocation per FFY. The Anchor may submit a request for additional funding above the maximum to support additional transformation activities for the RHP for approval by HHSC and CMS. The Anchor shall transfer intergovernmental transfer ("IGT") funds to HHSC twice per year, in conjunction with the Anchor's submittal of semi-annual invoices for the Anchor's cost for the Section 1.05 administrative functions provided to HHSC hereunder, as described below.

After drawing the related Federal Medicaid match, HHSC will transfer certain federal funds to the Anchor for administering and performing the Section 1.05 administrative functions required hereunder within a reasonable time, subject to Section 1.08 below.

Section 1.07 Semi-Annual Periods for Cost Accumulation and Reporting.

The Anchor will submit invoices to HHSC, in accordance with the Cost Principles, with respect to the Anchor's cost of performing the Section 1.05 administrative functions provided hereunder (the Invoices), for each six (6) calendar-month period (the Invoice Period). The Invoice Periods for each year will be as follows:

- (1) October 1st through March 31st
- (2) April 1st through September 30th

After the execution of the Contract, each invoice will be due to HHSC no later than thirty (30) business days after the end of the Invoice Period. Invoice due dates corresponding to the Invoice Periods will be as follows:

- (1) May 15th
- (2) November 15th

The Anchor may submit its costs of the Section 1.05 administrative functions for Demonstration Years Two and Three, as those terms are defined in the STCs, as part of its initial Invoice submission to HHSC. Anchor's Invoices will be accompanied by Microsoft Excel spreadsheet files providing details sufficient to support the Invoice's total, in a format provided by HHSC (the Supporting Detail). Each Invoice will include Anchor's costs for the Section 1.05 administrative functions, as allowed by the Cost Principles, which were incurred during the Invoice Period.

Section 1.08 Term of Payments to Anchor

HHSC shall make two (2) payments each calendar year to the Anchor, after:

- (1) receipt of the Invoice and Supporting Detail;
- (2) receipt of the appropriate IGT funds from the Anchor;
- (3) review of the Invoice and acceptable Supporting Detail by HHSC; and
- (4) drawing the related Federal Medicaid match payment by HHSC.

Subject to the receipt and completion of the items above, HHSC payments corresponding to the invoices and Invoice Periods will be made following HHSC's successful completion of the above items.

Section 1.09 Project Managers

The following Project Managers will serve as the primary day-to-day working contacts for the Parties for administrative and general issues:

For HHSC:

Name: Carol Sanchez-Cuellar
Title: Program Specialist, Transformation Waiver Operations
Mailing address: 4900 North Lamar Blvd., H425,
Austin, TX 78751
Direct phone: (512) 424-6621
Email: Carol.Sanchez-Cuellar@hhsc.state.tx.us

For Anchor:

Name: _____
Title: _____
Mailing address: _____

Direct phone: _____
Email: _____

Either Party may change the above-named Project Manager with five (5) business days written notice to the other Party. However, such changes shall not require an amendment to this Contract. The Parties shall maintain a record of the most current Project Managers during the term of the Contract.

Section 1.10 Notices.

(a) Delivery of Notice

Communications that are routine and administrative in nature should be sent to the Project Managers identified in Section 1.09 above. Legal notices should be sent as identified in this Section. Any notice or other legal communication required or permitted to be made or given by either Party pursuant to this Contract will be in writing and deemed to have been duly given:

- (1) three (3) business days after the date of mailing, if sent by Registered or Certified U.S. Mail, postage pre-paid, with return receipt requested;
- (2) when transmitted if sent by e-mail or facsimile, provided a confirmation of transmission is produced; or
- (3) when delivered, if delivered personally or sent by express courier service.

(b) Notices to HHSC should be sent to the following:

Carey E. Smith
Health and Human Services Commission
4900 North Lamar Blvd., MC 1070
Austin, Texas 78751
Fax: (512) 424-6586

(c) Notices to Anchor should be sent to the following:

(d) Change of Delivery Notice Designee

Either Party may change the above-referenced designees or addressees with five (5) business days written notice to the other Party.

Section 1.11 Amendments and Modifications.

The Parties agree that the terms and conditions of the Contract shall remain in effect and continue to govern except to the extent expressly modified in writing and duly executed by the Parties. The Parties may amend this Contract and any exhibits and attachments hereto only by mutual written agreement. Such amendments to any exhibits and attachments will note the dates of such changes and identify the parties who made such changes.

The Parties may revise or change the Statement of Services to be Performed, as outlined in Section 1.05, by mutual agreement; this need not be done by an amendment to the Contract. However, any revisions or changes by the Parties must be documented in writing and dated in order to maintain an accurate record of the Statement of Services to be Performed.

Section 1.12 Authority to Execute.

The person or persons signing and executing this Contract on behalf of each Party, or representing themselves as signing and executing this Contract on behalf of a Party, warrant and guarantee that he, she, or they have been duly authorized to execute this Contract and to validly and legally bind the Party to the terms and conditions of this Contract.

<p>TEXAS HEALTH & HUMAN SERVICES COMMISSION</p> <p>By: _____ Kyle L. Janek, M.D. Executive Commissioner</p> <p>_____</p> <p>Date Signed:</p>	<p><u>(INSERT NAME OF ANCHOR ENTITY HERE)</u></p> <p>By: _____ Signature</p> <p>_____</p> <p>Print Name</p> <p>_____</p> <p>Title</p> <p>_____</p> <p>Date <u>Signed</u>:</p>
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EXHIBIT A

COST PRINCIPLES

AGREEMENT
BETWEEN THE
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EXHIBIT B

HHSC’S UNIFORM CONTRACT TERMS AND CONDITIONS, VERSION 1.4.1

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EXHIBIT C
PROGRAM PROTOCOL