



INTERLOCAL AGREEMENT Personal Emergency Response System

DSHS Agreement Number:
1669-66795

This Agreement is by and between the State of Washington Department of Social and Health Services (DSHS) and the Contractor identified below, and is issued pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW.

Program Contract Number:

Contractor Contract Number:
1669-66795

CONTRACTOR NAME		CONTRACTOR doing business as (DBA)	
Skagit County Public Hospital District # 2		Island Hospital - 14	
CONTRACTOR ADDRESS		WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)	DSHS INDEX NUMBER
1211 24th Street Anacortes, WA 98221		291-002-158	26588
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR FAX	CONTRACTOR E-MAIL ADDRESS
Elise Cutter	(360) 299-1339		ecutter@islandhospital.org
DSHS ADMINISTRATION	DSHS DIVISION	DSHS CONTRACT CODE	
Aging & Long Term Support Admin	Area Agency on Aging	1029LP-69	
DSHS CONTACT NAME AND TITLE		DSHS CONTACT ADDRESS	
Michael Dunckel Planner		600 Lakeway Drive Suite 100 Bellingham, WA 98225-5236	
DSHS CONTACT TELEPHONE	DSHS CONTACT FAX	DSHS CONTACT E-MAIL ADDRESS	
(360) 676-6749	(360) 738-2451	Dunckmg@dshs.wa.gov	
IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT?		CFDA NUMBER(S)	
No			
AGREEMENT START DATE	AGREEMENT END DATE	MAXIMUM AGREEMENT AMOUNT	
06/01/2016	06/30/2018	Fee For Service	
The terms and conditions of this Agreement are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise regarding the subject matter of this Agreement, between the parties. The parties signing below represent they have read and understand this Agreement, and have the authority to execute this Agreement. This Agreement shall be binding on DSHS only upon signature by DSHS.			
CONTRACTOR SIGNATURE		PRINTED NAME AND TITLE	DATE SIGNED
		Elise Cutter, CFO	5/27/14
DSHS SIGNATURE		PRINTED NAME AND TITLE	DATE SIGNED
		Kristine Glasgow, Operations Director	6/13/2016

DSHS General Terms and Conditions

1. **Definitions.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:
- a. "Central Contract Services" means the DSHS central headquarters contracting office, or successor section or office.
 - b. "Confidential Information" or "Data" means information that is exempt from disclosure to the public or other unauthorized persons under RCW 42.56 or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information.
 - c. "Contract" or "Agreement" means the entire written agreement between DSHS and the Contractor, including any Exhibits, documents, or materials incorporated by reference. The parties may execute this contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
 - d. "Contracts Administrator" means the manager, or successor, of Central Contract Services or successor section or office.
 - e. "Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, members, officers, directors, partners, employees, and/or agents, unless otherwise stated in this Contract. For purposes of any permitted Subcontract, "Contractor" includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or agents.
 - f. "Debarment" means an action taken by a Federal agency or official to exclude a person or business entity from participating in transactions involving certain federal funds.
 - g. "DSHS" or the "Department" means the state of Washington Department of Social and Health Services and its employees and authorized agents.
 - h. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key"; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 128 bits.
 - i. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.
 - j. "Physically Secure" means that access is restricted through physical means to authorized individuals only.
 - k. "Program Agreement" means an agreement between the Contractor and DSHS containing special terms and conditions, including a statement of work to be performed by the Contractor and payment to be made by DSHS.
 - l. "RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at <http://apps.leg.wa.gov/rcw/>.
 - m. "Regulation" means any federal, state, or local regulation, rule, or ordinance.

DSHS General Terms and Conditions

- n. "Secured Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
 - o. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.
 - p. "Tracking" means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.
 - q. "Trusted Systems" include only the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.
 - r. "WAC" means the Washington Administrative Code. All references in this Contract to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at <http://apps.leg.wa.gov/wac/>.
2. **Amendment.** This Contract may only be modified by a written amendment signed by both parties. Only personnel authorized to bind each of the parties may sign an amendment.
3. **Assignment.** The Contractor shall not assign this Contract or any Program Agreement to a third party without the prior written consent of DSHS.
4. **Billing Limitations.**
- a. DSHS shall pay the Contractor only for authorized services provided in accordance with this Contract.
 - b. DSHS shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed.
 - c. The Contractor shall not bill and DSHS shall not pay for services performed under this Contract, if the Contractor has charged or will charge another agency of the state of Washington or any other party for the same services.
5. **Compliance with Applicable Law.** At all times during the term of this Contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations, including but not limited to, nondiscrimination laws and regulations.
6. **Confidentiality.**
- a. The Contractor shall not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Contract for any purpose that is not directly connected with Contractor's performance of the services contemplated hereunder, except:

DSHS General Terms and Conditions

- (1) as provided by law; or,
 - (2) in the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.
- b. The Contractor shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Contractor to employ reasonable security measures, which include restricting access to the Confidential Information by:
- (1) Allowing access only to staff that have an authorized business requirement to view the Confidential Information.
 - (2) Physically Securing any computers, documents, or other media containing the Confidential Information.
 - (3) Ensure the security of Confidential Information transmitted via fax (facsimile) by:
 - (a) Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.
 - (b) Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.
 - (c) Verifying after transmittal that the fax was received by the intended recipient.
 - (4) When transporting six (6) or more records containing Confidential Information, outside a Secured Area, do one or more of the following as appropriate:
 - (a) Use a Trusted System.
 - (b) Encrypt the Confidential Information, including:
 - i. Encrypting email and/or email attachments which contain the Confidential Information.
 - ii. Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.
- Note: If the DSHS Data Security Requirements Exhibit is attached to this contract, this item, 6.b.(4), is superseded by the language contained in the Exhibit.**
- (5) Send paper documents containing Confidential Information via a Trusted System.
 - (6) Following the requirements of the DSHS Data Security Requirements Exhibit, if attached to this contract.
- c. Upon request by DSHS, at the end of the Contract term, or when no longer needed, Confidential Information shall be returned to DSHS or Contractor shall certify in writing that they employed a DSHS approved method to destroy the information. Contractor may obtain information regarding approved destruction methods from the DSHS contact identified on the cover page of this Contract.
- d. Paper documents with Confidential Information may be recycled through a contracted firm, provided the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential

DSHS General Terms and Conditions

Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping, or incineration.

- e. **Notification of Compromise or Potential Compromise.** The compromise or potential compromise of Confidential Information must be reported to the DSHS Contact designated on the contract within one (1) business day of discovery. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.
- 7. **Debarment Certification.** The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions (Debarred). The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify DSHS if, during the term of this Contract, Contractor becomes Debarred. DSHS may immediately terminate this Contract by providing Contractor written notice if Contractor becomes Debarred during the term hereof.
- 8. **Governing Law and Venue.** This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County.
- 9. **Independent Contractor.** The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of the Department. The Contractor, his or her employees, or agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of the Department by reason hereof, nor will the Contractor, his or her employees, or agent make any claim of right, privilege or benefit that would accrue to such officer or employee.
- 10. **Inspection.** The Contractor shall, at no cost, provide DSHS and the Office of the State Auditor with reasonable access to Contractor's place of business, Contractor's records, and DSHS client records, wherever located. These inspection rights are intended to allow DSHS and the Office of the State Auditor to monitor, audit, and evaluate the Contractor's performance and compliance with applicable laws, regulations, and these Contract terms. These inspection rights shall survive for six (6) years following this Contract's termination or expiration.
- 11. **Maintenance of Records.** The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.

Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
- 12. **Order of Precedence.** In the event of any inconsistency or conflict between the General Terms and Conditions and the Special Terms and Conditions of this Contract or any Program Agreement, the inconsistency or conflict shall be resolved by giving precedence to these General Terms and Conditions. Terms or conditions that are more restrictive, specific, or particular than those contained in the General Terms and Conditions shall not be construed as being inconsistent or in conflict.
- 13. **Severability.** If any term or condition of this Contract is held invalid by any court, the remainder of the Contract remains valid and in full force and effect.

DSHS General Terms and Conditions

14. **Survivability.** The terms and conditions contained in this Contract or any Program Agreement which, by their sense and context, are intended to survive the expiration or termination of the particular agreement shall survive. Surviving terms include, but are not limited to: Billing Limitations; Confidentiality, Disputes; Indemnification and Hold Harmless, Inspection, Maintenance of Records, Notice of Overpayment, Ownership of Material, Termination for Default, Termination Procedure, and Treatment of Property.

15. **Contract Renegotiation, Suspension, or Termination Due to Change in Funding.**

If the funds DSHS relied upon to establish this Contract or Program Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract or Program Agreement:

- a. At DSHS's discretion, the Contract or Program Agreement may be renegotiated under the revised funding conditions.
 - b. DSHS's discretion, DSHS may give notice to Contractor to suspend performance when DSHS determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor's performance to be resumed prior to the normal completion date of this contract.
 - (1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.
 - (2) When DSHS determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to DSHS informing DSHS whether it can resume performance and, if so, the date of resumption. For purposes of this subsection, "written notice" may include email.
 - (3) If the Contractor's proposed resumption date is not acceptable to DSHS and an acceptable date cannot be negotiated, DSHS may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.
 - c. DSHS may immediately terminate this Contract by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty shall accrue to DSHS in the event the termination option in this section is exercised.
16. **Waiver.** Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the DSHS Contracts Administrator or designee has the authority to waive any term or condition of this Contract on behalf of DSHS.
17. **Advance Payment.** DSHS shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.
18. **Construction.** The language in this Contract shall be interpreted as to its fair meaning and not strictly for or against any party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

DSHS General Terms and Conditions

19. **Contractor Certification Regarding Ethics.** The Contractor certifies that the Contractor is now, and shall remain, in compliance with Chapter 42.52 RCW, Ethics in Public Service, throughout the term of this Contract.
20. **Health and Safety.** Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health and safety of any DSHS client with whom the Contractor has contact.
21. **Indemnification and Hold Harmless.**
- a. The Contractor shall be responsible for and shall indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines, of whatsoever kind of nature, arising out of or relating to a) the Contractor's or any Subcontractor's performance or failure to perform this Contract, or b) the acts or omissions of the Contractor or any Subcontractor.
 - b. The Contractor's duty to indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines shall include DSHS' personnel-related costs, reasonable attorney's fees, court costs, and all related expenses.
 - c. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees.
 - d. Nothing in this term shall be construed as a modification or limitation on the Contractor's obligation to procure insurance in accordance with this Contract or the scope of said insurance.
22. **Industrial Insurance Coverage.** The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, DSHS may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. DSHS may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by DSHS under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.
23. **Notice of Overpayment.** If the Contractor receives a vendor overpayment notice or a letter communicating the existence of an overpayment from DSHS, the Contractor may protest the overpayment determination by requesting an adjudicative proceeding. The Contractor's request for an adjudicative proceeding must:
- a. Be received by the Office of Financial Recovery (OFR) at Post Office Box 9501, Olympia, Washington 98507-9501, within twenty-eight (28) calendar days of service of the notice;
 - b. Be sent by certified mail (return receipt) or other manner that proves OFR received the request;
 - c. Include a statement as to why the Contractor thinks the notice is incorrect; and
 - d. Include a copy of the overpayment notice.

Timely and complete requests will be scheduled for a formal hearing by the Office of Administrative Hearings. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the overpayment dispute prior to the hearing.

DSHS General Terms and Conditions

Failure to provide OFR with a written request for a hearing within twenty-eight (28) days of service of a vendor overpayment notice or other overpayment letter will result in an overpayment debt against the Contractor. DSHS may charge the Contractor interest and any costs associated with the collection of this overpayment. DSHS may collect an overpayment debt through lien, foreclosure, seizure and sale of the Contractor's real or personal property; order to withhold and deliver; or any other collection action available to DSHS to satisfy the overpayment debt.

- 24. Subcontracting.** Except as otherwise provided in this Contract, the Contractor shall not subcontract any of the contracted services without the prior approval of DSHS. Contractor is responsible to ensure that all terms, conditions, assurances and certifications set forth in this Contract are included in any and all Subcontracts. Any failure of Contractor or its subcontractors to perform the obligations of this Contract shall not discharge the Contractor from its obligations hereunder or diminish DSHS' rights or remedies available under this Contract.
- 25. Subrecipients.**
- a. General. If the Contractor is a subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:
- (1) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
 - (2) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
 - (3) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
 - (4) Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractors who are subrecipients;
 - (5) Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and
 - (6) Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to www.ojp.usdoj.gov/ocr/ for additional information and access to the aforementioned Federal laws and regulations.)
- b. Single Audit Act Compliance. If the Contractor is a subrecipient and expends \$750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:
- (1) Submit to the DSHS contact person the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;

DSHS General Terms and Conditions

(2) Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F; prepare a "Summary Schedule of Prior Audit Findings" reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.

c. Overpayments. If it is determined by DSHS, or during the course of a required audit, that the Contractor has been paid unallowable costs under this or any Program Agreement, DSHS may require the Contractor to reimburse DSHS in accordance with 2 CFR Part 200.

26. Termination for Convenience. DSHS may terminate this Contract in whole or in part when it is in the best interest of DSHS by giving the Contractor at least thirty (30) calendar days' written notice. The Contractor may terminate this Contract for convenience by giving DSHS at least thirty (30) calendar days' written notice addressed to DSHS at the address listed on page 1 of this Contract.

27. Termination for Default. The Contracts Administrator may immediately terminate this Contract for default, in whole or in part, by written notice to the Contractor if DSHS has a reasonable basis to believe that the Contractor has:

- a. Failed to meet or maintain any requirement for contracting with DSHS;
- b. Failed to protect the health or safety of any DSHS client pursuant to the section entitled Health and Safety of this Contract;
- c. Failed to perform under, or otherwise breached, any term or condition of this Contract; and/or
- d. Violated any applicable law or regulation.

If it is later determined that the Contractor was not in default, the termination shall be considered a termination for convenience.

28. Termination or Expiration Procedure. The following terms and conditions apply upon Contract termination or expiration:

- a. The Contractor shall cease to perform any services required by this Contract as of the effective date of termination or expiration.
- b. If the Contract is terminated, the Contractor shall comply with all instructions contained in the termination notice.
- c. The Contractor shall immediately deliver to the DSHS contact named on page one of this Contract, or to his or her successor, all DSHS property in the Contractor's possession. The Contractor grants DSHS the right to enter upon the Contractor's premises for the sole purpose of recovering any DSHS property that the Contractor fails to return within ten (10) calendar days of the effective date of termination or expiration of this Contract. Upon failure to return DSHS property within ten (10) calendar days, the Contractor shall be charged with all reasonable costs of recovery, including transportation.
- d. DSHS shall be liable only for payment required under the terms of this Contract for service rendered up to the effective date of termination or expiration.
- e. DSHS may withhold a sum from the final payment to the Contractor that DSHS determines necessary to protect DSHS against loss or additional liability.
- f. The rights and remedies provided to DSHS in this Section are in addition to any other rights and

DSHS General Terms and Conditions

remedies provided at law, in equity, and/or under this Contract, including consequential and incidental damages.

- 29. Treatment of Client Property.** Unless otherwise provided, the Contractor shall ensure that any adult client receiving services from the Contractor has unrestricted access to the client's personal property. The Contractor shall not interfere with any adult client's ownership, possession, or use of the client's property. The Contractor shall provide clients under age eighteen (18) with reasonable access to their personal property that is appropriate to the client's age, development, and needs. Upon termination of services to a client, the Contractor shall immediately release to the client and/or the client's guardian or custodian all of the client's personal property.
- 30. Treatment of Property.** All property purchased or furnished by DSHS for use by the Contractor during this Contract term shall remain with DSHS. Title to all property purchased or furnished by the Contractor for which the Contractor is entitled to reimbursement by DSHS under this Contract shall pass to and vest in DSHS. The Contractor shall protect, maintain, and insure all DSHS property in its possession against loss or damage and shall return DSHS property to DSHS upon Contract termination or expiration.
- 31. Taxes.**
- a. Where required by statute or regulation, Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. DSHS will pay sales or use taxes, if any, imposed on the services and materials acquired hereunder. Contractor must pay all other taxes including without limitation Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. DSHS, as an agency of Washington State government, is exempt from property tax.
 - b. Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract in accordance with the requirements of Title 82 RCW and Title 458 WAC. Out-of-state Contractors must contact the Department of Revenue to determine whether they meet criteria to register and establish an account with the Department of Revenue. Refer to WAC 458-20-101 (Tax registration and tax reporting) and call the Department of Revenue at 800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit sales tax, DSHS shall be responsible for paying use tax, if applicable, directly to the Department of Revenue.
 - c. All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for Contractor or Contractor's staff shall be Contractor's sole responsibility.

Additional General Terms and Conditions – Interlocal Agreements:

- 32. Disputes.** Disputes shall be determined by a Dispute Board. Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms, and applicable statutes and rules and make a determination of the dispute. As an alternative to this process, either party may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process shall control. Participation in either dispute process shall precede any judicial or quasi-judicial action and shall be the final administrative remedy available to the parties.
- 33. Hold Harmless.**

DSHS General Terms and Conditions

- a. The Contractor shall be responsible for and shall hold DSHS harmless from all claims, loss, liability, damages, or fines arising out of or relating to the Contractor's, or any Subcontractor's, performance or failure to perform this Agreement, or the acts or omissions of the Contractor or any Subcontractor. DSHS shall be responsible for and shall hold the Contractor harmless from all claims, loss, liability, damages, or fines arising out of or relating to DSHS' performance or failure to perform this Agreement.
- b. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees.

34. Ownership of Material. Material created by the Contractor and paid for by DSHS as a part of this Contract shall be owned by DSHS and shall be "work made for hire" as defined by Title 17 USCA, Section 101. This material includes, but is not limited to: books; computer programs; documents; films; pamphlets; reports; sound reproductions; studies; surveys; tapes; and/or training materials. Material which the Contractor uses to perform the Contract but is not created for or paid for by DSHS is owned by the Contractor and is not "work made for hire"; however, DSHS shall have a perpetual license to use this material for DSHS internal purposes at no charge to DSHS, provided that such license shall be limited to the extent which the Contractor has a right to grant such a license.

35. Subrecipients.

- a. General. If the Contractor is a subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:
 - (1) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
 - (2) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
 - (3) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
 - (4) Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractors who are subrecipients;
 - (5) Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and
 - (6) Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to www.ojp.usdoj.gov/ocr/ for additional information and access to the aforementioned Federal laws and regulations.)
- b. Single Audit Act Compliance. If the Contractor is a subrecipient and expends \$750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the

DSHS General Terms and Conditions

Contractor shall:

- (1) Submit to the DSHS contact person the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;
 - (2) Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F; prepare a "Summary Schedule of Prior Audit Findings" reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.
- c. Overpayments. If it is determined by DSHS, or during the course of a required audit, that the Contractor has been paid unallowable costs under this or any Program Agreement, DSHS may require the Contractor to reimburse DSHS in accordance with 2 CFR Part 200.

36. Termination.

- a. Default. If for any cause, either party fails to fulfill its obligations under this Agreement in a timely and proper manner, or if either party violates any of the terms and conditions contained in this Agreement, then the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given 15 working days to correct the violation or failure. If the failure or violation is not corrected, this Agreement may be terminated immediately by written notice from the aggrieved party to the other party.
- b. Convenience. Either party may terminate this Interlocal Agreement for any other reason by providing 30 calendar days' written notice to the other party.
- c. Payment for Performance. If this Interlocal Agreement is terminated for any reason, DSHS shall only pay for performance rendered or costs incurred in accordance with the terms of this Agreement and prior to the effective date of termination.

37. Treatment of Client Property.

Unless otherwise provided, the Contractor shall ensure that any adult client receiving services from the Contractor has unrestricted access to the client's personal property. The Contractor shall not interfere with any adult client's ownership, possession, or use of the client's property. The Contractor shall provide clients under age eighteen (18) with reasonable access to their personal property that is appropriate to the client's age, development, and needs. Upon termination of the Contract, the Contractor shall immediately release to the client and/or the client's guardian or custodian all of the client's personal property.

Special Terms and Conditions

1. **Definitions.** The words and phrases listed below, as used in this Contract, each have the following definitions:
- a. "Activities of Daily Living" (ADLs) means basic personal everyday activities including, but not limited to, tasks such as eating, toileting, grooming, dressing, bathing, and transferring.
 - b. "Area Agency on Aging" (AAA) means a local public or private agency with which DSHS Contracts to provide case management services to DSHS Clients and to manage Contracts with qualified providers of Medicaid funded services.
 - c. "Authorized Countersignature" means any DSHS, or AAA employee who has delegated authority to sign this Contract.
 - d. "Authorization" or "Authorized" means the Contractor's services are included in the Client's DSHS approved Service Plan and the service invoice is submitted for payment as directed by the DSHS Payment System.
 - e. "Case Manager" means the DSHS or AAA social worker, case resource manager, nurse, social service specialist, or other authorized or subcontracted individual assigned to a Client.
 - f. "Client" means an individual that DSHS or the AAA has determined eligible to receive services and for whom services have been authorized for purchase from the Contractor.
 - g. "Client participation" means the amount of money, if any, which the Contractor collects directly from the Client and applies to the cost of the Client's authorized care.
 - h. "Instrumental Activities of Daily Living" (IADLs) means activities related to living independently in the community, including but not limited to, meal planning and preparation, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone or other media, and traveling around and participating in the community.
 - i. "ProviderOne" means the payment system in use by DSHS to make payments to vendors and/or providers.
 - j. "Service Plan" means a written plan for service delivery which identifies ways to meet the Client's assessed needs with the most appropriate services as described in WAC Chapter 388 and/or RCW Title 74.
 - k. "Personal Emergency Response System" (PERS) means services to secure help in an emergency through an electronic device that is either connected to the Client's phone or operates using GSM cellular signals and is:
 - i. programmed to signal a response center, and
 - ii. staffed by trained professionals who will immediately summon help for the Client.

PERS may include medication reminders, GPS and falls detection.

PERS may also include a bracelet, anklet or pendant with locator capabilities for Clients who meet eligibility criteria for PERS.

PERS does not include well checks, smoke alarms, nursing triage services, health monitoring systems or other enhancements made available by the Contractor.

Special Terms and Conditions

PERS services and equipment are only allowed for Clients living in residential settings when equipped with GPS technology (i.e., Adult Family Home, Assisted Living, Adult Residential Care and Enhanced Adult Residential Care).

- I. "Services" means the Personal Emergency Response System services the Contractor performs for the Client as specified in the Client's Authorization.

2. **Statement of Work.** The geographic area in which the Contractor will provide the following services is Skagit county

The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- a. Provide Personal Emergency Response System services only as authorized in the Client's Authorization. Add-ons such as medication reminders, GPS and falls detection may be included if they are listed in the Client's authorization as an addition to PERS.
- b. Provide equipment approved by the Federal Communications Commission and which meets the Underwriters Laboratories, Inc. (UL) or ETL (Intertek) standard for home health care signaling equipment. The UL or ETL listing mark on the equipment will be accepted as evidence of the equipment's compliance with UL or ETL standards.
- c. Provide an emergency response activator that can be activated by breath, by touch, or other means; the emergency response activator must be usable by persons who are visually or hearing impaired or physically disabled.
- d. Provide an emergency response communicator which does not interfere with normal telephone use when attached to the PERS Client's telephone line. The communicator must be capable of operating without external power during a power failure at the recipient's home in accordance with UL or ETL requirements for home health care signaling equipment with stand-by capability.
- e. Ensure monitoring agencies' equipment includes, at a minimum:
 - (1) Primary receiver;
 - (2) Stand-by information retrieval system;
 - (3) Separate telephone service when attached to the PERS Client's telephone line;
 - (4) Stand-by receiver that is independent and interchangeable with the primary receiver;
 - (5) Back-up power supply; and
 - (6) Telephone line monitor when attached to the PERS Client's telephone line.
- f. Ensure the monitoring equipment's clock printer prints out the time and date of the emergency signal, the PERS Client's ProviderOne Client ID located on the Client's medical Services Card and the emergency code that indicates whether the signal is active, passive, or a responder test.
- g. The telephone line monitor must give visual and audible signals when an incoming telephone line is disconnected for more than ten (10) seconds.

Special Terms and Conditions

- h. Install the system within five (5) business days of the request for service and remove the system after receiving notice to discontinue the service. The Contractor shall not bill for services beyond the date the notice to discontinue was received.
- i. Ensure the monitoring agency is capable of simultaneously responding to multiple signals for help; maintains detailed technical and operations manuals that describe PERS elements, including PERS equipment installation, functioning, and testing; emergency response protocols; and record keeping and reporting procedures.
- j. Annually test the equipment for ten percent (10%) of current Clients.
- k. Ensure that monitoring agency staff will be trained on operational and technical aspects of the PERS system. Training shall include testing procedures, emergency reporting and response procedures and servicing.
- l. Ensure that monitoring agency staff are subject to and comply with DSHS requirements under this Contract for safeguarding of Client information.
- m. Provide the name, address and any other contact information necessary to verify the Client's well-being to emergency first responders on request in the event of natural disasters or other emergencies that render the alert system inoperable.

3. Contractor Obligations.

DSHS shall provide to the Contractor: (1) A copy of the relevant terms of the Client's Service Authorization that describe the services to be performed by the Contractor; and (2) any supplements or amendments to the Authorization. Contractor agrees to perform such services throughout the period of this Contract. Any and all terms provided to the Contractor shall be incorporated into this Contract by this reference.

- a. If the Contractor accepts employment with the State of Washington, Contractor agrees to immediately notify the Case Manager for each Client to whom the Contractor is providing services, and notify the Director of the Division of Home and Community Services, at P.O. Box 45600, Olympia WA 98504-5600.
- b. By entering into this Contract, the Contractor certifies and provides assurances that the Contractor meets the minimum qualifications described in the Statement of Work, and that the Contractor has the ability and willingness to carry out the responsibilities outlined in the Authorization. The Contractor shall contact the Client's DSHS or AAA case manager if at any time there are any concerns about the Contractor's ability to perform those responsibilities.
- c. The Contractor acknowledges that he/she is in compliance with Chapter 42.52 RCW, Ethics in Public Service, and agrees to comply with Chapter 42.52 RCW throughout the term of this Contract.

4. Billing and Payment. Payment for services will be at the rate established and published by DSHS.

- a. The Contractor agrees to meet the following requirements to obtain payment:
 - (1) The Client has selected the Contractor to provide services at the established rate;
 - (2) The Contractor has provided services to the Client which are included in the Client's Authorization and has complied with all applicable laws and regulations; and

Special Terms and Conditions

- (3) The Contractor shall receive payment for authorized services using the ProviderOne Payment system which is the State of Washington's Medicaid management information system.
- (4) If DSHS or the AAA pays the Contractor for goods or services authorized but not provided by the Contractor, the amount paid shall be considered an overpayment and must be returned to the department.
- b. DSHS will pay the Contractor an established rate for the installation and monthly monitoring of PERS as indicated below:

PERS Provider Basic	Covered under CFC	Fee	Service Code	RATE
	Installation	One time	S5160	\$40.00
	Basic (Landline)	Monthly	S5161	\$39.95
	Basic (Cell)	Monthly	S5161	\$51.95

PERS Provider Add-Ons	Option under CFC, paid from Client's \$500 Annual Limit as Assistive Technology.	Fee	Service Code	RATE
	Falls Detection	Monthly	S5161 – U1	\$54.95/landline; \$56.95/cell
	Medication Reminder/Dispenser	Monthly	S5161 – U3	\$NA
	GPS	Monthly	S5161 – U2	\$NA

- The monthly payment for all services provided to any Client will not exceed the amount authorized in the Client's Authorization and in ProviderOne.
- c. Any loss must be reported within two weeks by the Contractor to DSHS who will also attempt to recover the unit. If the unit cannot be recovered or repaired, documentation of wholesale cost must be provided with the request for reimbursement. Only one unit will be replaced per Client's lifetime. Reimbursement for equipment lost after the death of the Client is not permitted. Reimbursement for equipment lost after termination of services must be submitted within thirty (30) days of termination notice and must be paid using the last date of service on the authorization. Pendants are the responsibility of the provider to replace when required.
- d. The rate established in this Contract is subject to change and does not require a Contract amendment. Notification of rate changes will be made in a letter from the AAA to the Contractor. Rates shall not exceed the DSHS rates published for the Contractor's geographic area. Published rates are not disputable.
- e. The Contractor accepts the DSHS payment amount, together with any Client participation amount, as sole and complete payment for the services provided under this Contract. The Contractor agrees to be responsible for collection of the Client's participation amount (if any) from the Client in the month in which services are provided.
- f. Payment or authorization for payment that is sent through the US mail service shall be sent to the address designated by the Contractor on page 1 of this Contract. Contractor is responsible for notifying DSHS or the AAA of any changes to their address.

Special Terms and Conditions

- g. DSHS will only reimburse the Contractor for authorized services provided to Clients in accordance with this Contract's Statement of Work and the Client's Service Authorization. If DSHS pays the Contractor for any other services, the amount paid shall be considered an overpayment, and must be returned to the Department.
- h. DSHS or the AAA may, at its sole discretion, terminate the Contract or withhold payments claimed by Contractor for services rendered if Contractor fails to satisfactorily comply with any term or condition of this Contract.
- i. If this Contract is terminated for any reason, DSHS or the AAA shall pay for only those goods or services authorized and provided through the date of termination. Payments paid for services provided after the termination of this Contract shall be considered an overpayment.

5. Insurance.

- a. DSHS certifies that it is self-insured under the State's self-insurance liability program, as provided by RCW 4.92.130, and shall pay for losses for which it is found liable.
- b. The Contractor certifies, by checking the appropriate box below, initialing to the left of the box selected, and signing this Agreement, that:

_____ ☐ The Contractor is self-insured or insured through a risk pool and shall pay for losses for which it is found liable; or

_____ ☐ The Contractor maintains the types and amounts of insurance identified below and shall, prior to the execution of this Agreement by DSHS, provide certificates of insurance to that effect to the DSHS contact on page one of this Agreement.

Commercial General Liability Insurance (CGL) – to include coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of premises, operations, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, DSHS, its elected and appointed officials, agents, and employees shall be named as additional insureds.

- c. Area Agency on Aging (AAA).

In all instances where DSHS is required to be named as an additional insured or provided a waiver of subrogation, or provided notice of cancellation or renewal, the AAA responsible for the area in which services under this contract are to be provided shall also be named as an additional insured, or provided waiver of subrogation, or provided notice of cancellation or renewal, as the case may be.

6. Duty to Disclose

- a. Pursuant to 42 CFR §455.104, the Contractor is required to provide disclosures from individuals with ownership interest, managing employees, and those with a controlling interest. The State must obtain certain disclosures from providers and complete screenings to ensure the State does not pay federal funds to excluded person or entities. Contractor must complete and submit a Medicaid Provider Disclosure Statement, DSHS Form 27-094. According to 42 CFR 455.104(c) (1), disclosures must be provided:

(1) When the prospective Contractor submits their initial application;

Special Terms and Conditions

- (2) When the prospective Contractor signs the contract;
- (3) Upon request of the Department at contract revalidation/renewal;
- (4) Within thirty-five (35) days after any change in ownership of the Contractor entity.
- b. Failure to submit the requested information may cause the Department to refuse to enter into an agreement or contract with the Contractor or to terminate existing agreements. The State will recover any payments made to a disclosing entity that fails to disclose ownership or control information, as required by 42 CFR 455.104.
- c. Pursuant to 42 CFR §455.105(b), within thirty-five (35) days of the date of a request by the Secretary of the U.S. Department of Health and Human Services or DSHS, Contractor must submit full and complete information related to Contractor's business transactions that include:
 - (1) The ownership of any subcontractor with whom the Contractor has had business transactions totaling more than \$25,000 during the twelve (12) month period ending on the date of the request; and
 - (2) Any significant business transactions between the Contractor and any wholly owned supplier, or between the Contractor and any subcontractor, during the five (5) year period ending on the date of the request.
- d. Failure to comply with requests made under this term may result in denial of payments until the requested information is disclosed. See 42 CFR §455.105(c).

7. Provider Screenings.

- a. The State must ensure the Department does not pay federal funds to excluded persons or entities. States are also required to check for the death of an individual provider, agency owner or authorized official prior to contracting. The required ownership and control information for individuals with ownership interest of 5% or more, officers and managing employees will be obtained from the Medicaid Provider Disclosure Statement and checked against all required federal exclusion lists, and the Social Security Death Master List, prior to finalizing a contract.
- b. The Contractor will report any change in ownership, managing employees, and/or those with a controlling interest to the Department within 35 days of such a change so that these individuals can be screened against the required federal exclusion lists as well as the Social Security Death Master List.

8. State or Federal Audit Requests.

The Contractor is required to respond to State or Federal audit requests for records or documentation, within the timeframe provided by the requestor. The Contractor must provide all records requested to either State or Federal agency staff or their designees.

9. False Claims Act Education Compliance.

- a. Federal law requires any entity receiving annual Medicaid payments of \$5 million or more to provide education regarding federal and state false claims laws for all of its employees, contractors and/or agents. If Contractor receives at least \$5 million or more in annual Medicaid payments under one or more provider identification number(s), the Contractor is required to establish and adopt written policies for all employees, including management, and any contractor or agent of the entity, including detailed information about both the federal and state False Claims Acts and other

Special Terms and Conditions

applicable provisions of Section 1902(a)(68) of the Social Security Act. The law requires the following:

- (1) Contractor must establish written policies to include detailed information about the False Claims Act, including references to the Washington State False Claims Act;
- (2) Policies regarding the handling and protection of whistleblowers;
- (3) Policies and procedures for detecting and preventing fraud, waste, and abuse;
- (4) Policies and procedures must be included in an existing employee handbook or policy manual, but there is no requirement to create an employee handbook if none already exists.

10. **Duty to Report Suspected Abuse, Abandonment, Neglect or Financial Exploitation.** The Contractor and its employees must immediately report all instances of suspected abandonment, abuse, financial exploitation or neglect of a vulnerable adult (per RCW 74.34.035) or a child (per RCW 26.44.030). The report shall be made to the Department's current state abuse hotline, 1-866-363-4276 (END-HARM). The Contractor must also report all suspected instances to the Client's case manager. If the notice to the Client's case manager was verbal then it must be followed by written notification within 48 hours. Further, when required by RCW 74.34.035, the Contractor and the Contractor's employees must immediately make a report to the appropriate law enforcement agency.
11. **Background Check.** The Contractor agrees to undergo a criminal history background check conducted by DSHS or the AAA every two years, and as required by RCW 43.20A.710, RCW 43.43.830 through 43.43.842, and WAC 388-71-0752. If the Contractor has employees or volunteers who will have unsupervised access to Clients in the course of performing the work under this Contract, the Contractor must conduct and maintain documentation of criminal history background checks being completed every two years on those employees or volunteers.
12. **Death of Clients.** The Contractor shall report all deaths of DSHS Clients receiving services under this Contract to the Client's Case Manager within twenty-four (24) hours of finding out about the death. In addition, the Contractor shall provide written notification of the Client's death to the Client's Case Manager within seven (7) days.
13. **Drug-Free Workplace.** The Contractor agrees he or she and all employees or volunteers shall not use or be under the influence of alcohol, marijuana, illegal drugs, and/or any substances that impact the Contractor's ability to perform duties under this Contract.
14. **Execution and Waiver.** This Contract shall be binding on DSHS only upon signature by DSHS with an Authorized Countersignature.
15. **Significant Change in Client's Condition.** The Contractor agrees to report any significant change in the Client's condition within twenty-four (24) hours to the Case Manager who is identified in the Client's current service plan.
16. **Bribes and Kickbacks.** Federal law stipulates that Medicaid participants be offered free choice among qualified providers, therefore any exclusive relationship between the Contractor and any other Medicaid Service is prohibited.