

**WASHINGTON STATE ASSOCIATION OF LOCAL PUBLIC HEALTH OFFICIALS –
[LOCAL HEALTH JURISDICTION]**

AGREEMENT

This AGREEMENT formalizes the understanding between the Washington State Association of Local Public Health Officials (WSALPHO) and [Local Health Jurisdiction] regarding the operation of Medicaid Administrative Claiming (MAC) in Washington State.

**ARTICLE I
PURPOSE**

The purpose of this AGREEMENT is to facilitate the operation of a statewide Random Moment Time Survey (RMTS) that complies with the requirements of the LHJ's Cost Allocation Plan approved by the Centers for Medicare and Medicaid Services (CMS), with oversight by the Health Care Authority (HCA) working with the LHJ MAC Steering Committee to provide coordination and oversight among participating LHJs.

**ARTICLE II
DEFINITIONS**

Authorized Representative: The person or persons authorized by the LHJ and WSALPHO to coordinate activities under this AGREEMENT (the MAC Coordinator) will be the Point of Contact for response to monitoring activities. Contact information for the LHJ and WSALPHO Representative, or the person who will connect the caller to the Authorized Representative, is found in Appendix 1 to this AGREEMENT.

Business Associate: As defined in 45 CFR, Part 160.103, otherwise known as HIPAA, and includes any entity that performs or assists in performing a function or activity involving the uses/disclosures of individually identifiable Health Information or involving any other function or activity regulated by HIPAA; or provides legal, accounting, actuarial, consulting, data aggregation, management, accreditation, or financial service where the services involve individually identifiable Health Information.

Business Days and Hours: Shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the State of Washington.

Centers for Medicare and Medicaid Services (CMS): A federal agency within the Department of Health and Human Services responsible for the administration and oversight of the Title XIX Medicaid Administrative Claiming program.

Cost Allocation Plan: A federally-approved plan describing the methodology and procedures for claiming federal reimbursement for activities that are necessary for the efficient administration of the State Medicaid Plan.

Health Care Authority (HCA): The State agency responsible for administration and oversight of the Medicaid Administrative Claiming program in Washington State.

HIPAA Rules: "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and 164.

Local Health Jurisdiction: A signatory health department, health district, or county within the State of Washington that operates a public health department or division within its county government pursuant to authority granted under Chapters 70.05, 70.08, 70.46 RCW or other applicable law.

LHJ MAC Steering Committee: The LHJ MAC Steering Committee (Steering Committee) functions as an advisory board working under the direction of WSALPHO leadership. The Steering Committee provides broad oversight of the LHJ MAC program in Washington State and acts as a point of contact for HCA staff.

Medicaid Administrative Claiming (MAC): Title XIX of the Social Security Act (the Act) authorizes payments to states for expenditures necessary for the administration of the State Medicaid Plan.

Proportional Share: The percentage paid by each LHJ to WSALPHO for the costs of the WSALPHO Contractor and WSALPHO's administrative fee is based on the proportional share of the total federal reimbursement paid to all LHJs for MAC activities for the most recent calendar year for which there is complete data.

Protected Health Information: Shall have the same meaning as those terms in the HIPAA Rules.

Random Moment Time Study: A web-based system operated by WSALPHO's Contractor that captures the activities that can be reimbursed under Medicaid Administrative Claiming via a CMS-approved time survey methodology.

Washington Association of Local Public Health Officials: WSALPHO is a 501(c)3 private, non-profit organization operating on behalf of Local Health Jurisdictions to advance the interests of local public health in Washington State.

WSALPHO Contractor: Vendor contracted through WSALPHO to operate a RMTS and claiming system [including offset, indirect rate, and Medicaid Eligibility Rate (MER)] for the MAC program that is compliant with the currently LHJ Cost Allocation Plan for LHJs who have contracted with the Health Care Authority for reimbursement to the LHJs for approved Medicaid administrative activities.

**ARTICLE III
POINT OF CONTACT**

Pacific County Public Health
Mary Goelz
Administrator
P. O. Box 26
South Bend, WA 98586-0026

WSALPHO
Brad Banks
Managing Director
206 10th Street
Olympia, WA 98501

**ARTICLE IV
RESPONSIBILITIES OF LOCAL HEALTH JURISDICTIONS**

Local Health Jurisdictions participating in the Medicaid Administrative Claiming program will:

- Participate in the MAC claiming program through an interlocal AGREEMENT between the LHJ and HCA, and participate in an RMTS operated by the WSALPHO Contractor.
- Participate in peer review or other quality assurance activities to ensure the program's compliance with all federal regulations and federal and state published guidance.
- Name an employee to act as the MAC Coordinator who will oversee MAC activities at the LHJ and their compliance with federal and state regulations and published guidance, including oversight and monitoring of RMTS and the development and updating of all non-fiscal documents required for the MAC audit file.
- Name an employee to act as the MAC fiscal coordinator, who will oversee the development of the quarterly MAC invoice, certify its accuracy, and maintain the fiscal sections of the MAC audit file.
- The LHJ MAC Coordinator or designee will attend WSALPHO-sponsored semi-annual training as offered.
- The LHJ fiscal coordinator will attend WSALPHO-sponsored fiscal trainings as scheduled.
- The LHJ MAC coordinator will participate in regularly-scheduled Coordinator conference calls convened by WSALPHO.

**ARTICLE V
RESPONSIBILITIES OF WSALPHO**

WSALPHO will:

- Procure a contractor to operate an RMTS and claiming system that complies with the most current federally approved Cost Allocation Plan.
- Ensure that the WSALPHO Contractor and their employees or representatives and their subcontractors and their employees will maintain the confidentiality of all information provided by the LHJ or acquired in performance of this AGREEMENT as required by the Health Insurance Portability and Accountability Act of 1996, commonly known as HIPAA, and Washington State privacy laws as outlined in the Business Associate AGREEMENT incorporated into this AGREEMENT as Attachment A. WSALPHO's Contractor for purposes of this AGREEMENT is considered a Business Associate of the LHJ.
- Provide assurance that this AGREEMENT, once executed by the parties, is and remains a Public Record subject to the provision of Ch. 42.56 RCW, the Public Records Act.
- In conjunction with LHJ Steering Committee, will provide coordination and leadership of the LHJ MAC program in Washington State to ensure quality assurance and consistency state-wide.

**ARTICLE VI
RESPONSIBILITIES OF MAC CONTRACTOR**

The MAC Contractor will operate a MAC RMTS and claiming system for participating LHJs in Washington State in accordance with a federally approved cost allocation plan.

The MAC Contractor will submit a proposed work plan that includes proposed tasks, staffing, timeline, and associated costs to WSALPHO no later than November 15 of the preceding year for review and approval by WSALPHO and the LHJ MAC Steering Committee, which will be incorporated annually as an amendment to this AGREEMENT.

**ARTICLE VII
INVOICE AND PAYMENT**

WSALPHO will invoice participating LHJs their proportional share of the MAC Contractor's budget annually, but no later than March 31, with the option that a LHJ may request a quarterly or semi-annual billing arrangement. The annual budget for Contractor's services, WSALPHO's administrative fee, and the LHJ's proportionate share are incorporated by reference as Contractor Budget and LHJ Proportional Share (Attachment B).

The Contractor submits a quarterly invoice of actual costs to WSALPHO. Following the end of a calendar year, WSALPHO will reconcile the budget to actual cost and credit each LHJ its proportional share of any overpayment. This adjustment will be applied to the LHJ's succeeding year invoice.

WSALPHO receives a five percent fee based on the Contractor's budget to administer the MAC program and coordinate the work of the LHJ MAC Steering Committee. WSALPHO will reconcile this fee to the Contractor's actual cost and credit each LHJ its proportional share of any overpayment. This adjustment will be applied to the LHJ's succeeding year invoice.

**ARTICLE VIII
PROTECTED HEALTH INFORMATION**

WSALPHO acknowledges that some of the material and information that may come into the possession or knowledge of its Contractor in connection with this AGREEMENT or its performance may consist of Protected Health Information provided by participating LHJs. WSALPHO, its employees, and its Contractors agree not to use or disclose Protected Health Information other than as permitted or required by the AGREEMENT or as required by law. Contractor agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to Protected Health Information.

WSALPHO Contractors that may use the LHJ Protected Health Information in the course of their work are considered to be a Business Associate of WSALPHO and will be required to complete a Business Associate AGREEMENT, as required by federal or state laws, including HIPAA, prior to the commencement of any work incorporated into this AGREEMENT as Attachment A.

WSALPHO reserves the right to monitor, audit, or investigate the use of Protected Health Information collected, used, or acquired by Contractor through this AGREEMENT. The obligations set forth in this Section shall survive completion, cancellation, expiration, or termination of this AGREEMENT.

ARTICLE IX INDEMNIFICATION

Each party shall indemnify, defend and hold harmless, each other, its officers, agents and employees, from and against any and all claims, lawsuits, demands for money damages, losses or liability, or any portion thereof, including attorney's fees and costs, arising from the negligent acts or omissions of the parties, its employees, or representatives.

ARTICLE X RIGHTS IN DATA

Records and other documents in any medium, furnished by one party to this AGREEMENT to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third parties without first giving notice to the furnishing party and giving it a reasonable opportunity to respond. Each party will utilize reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

ARTICLE XI RECORDS, DOCUMENTS, AND REPORTS

WSALPHO and its Contractor shall maintain books, records, documents, magnetic media, receipts, invoices and other evidence relating to this AGREEMENT and the performance of the services rendered, along with accounting procedures and practices, all of which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this AGREEMENT. At no additional cost, these records, including materials generated under this AGREEMENT, shall be subject at all reasonable times to inspection, review, or audit by the LHJ. Records shall be retained for a period of six (6) years after the date of final payment.

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.

ARTICLE XII TERM AND TERMINATION

This AGREEMENT is effective January 1, 2014, and will continue year to year until terminated by either party. Either LHJ or WSALPHO may terminate this AGREEMENT for convenience with written notification to all of the other signatories to the AGREEMENT no less than ninety (90) calendar days prior to the beginning of a calendar quarter.

**ARTICLE XIII
AMENDMENTS**

Modifications to this AGREEMENT must be in writing and will become effective upon the approval of the modification by WSALPHO and LHJ.

**ARTICLE XIV
INDEPENDENT CAPACITY**

The employees or agents of WSALPHO or LHJ who are engaged in the performance of this AGREEMENT shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of any other party to this AGREEMENT.

**ARTICLE XV
SEVERABILITY**

If any provision of this AGREEMENT or any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this AGREEMENT which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this AGREEMENT, and to this end the provisions of this AGREEMENT are declared to be severable.

**ARTICLE XVI
NO THIRD PARTY BENEFICIARIES**

This AGREEMENT is entered into solely for the mutual benefit of the parties to this AGREEMENT. This AGREEMENT is not entered into with the intent that it shall benefit any other person and no other such person shall be entitled to be treated as a third-party beneficiary of this AGREEMENT.

**ARTICLE XVII
DISPUTE RESOLUTION**

If a dispute between any parties to this AGREEMENT arises out of or related to this AGREEMENT, or the breach thereof, and if the dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation. Thereafter, any unresolved controversy or claim arising out of or related to this AGREEMENT, or breach thereof, may be settled in a court having jurisdiction thereof. The parties may seek to resolve disputes pursuant to mediation or arbitration, but are not required to do so.

**ARTICLE XVIII
NOTICES**

Whenever this AGREEMENT provides for notice to be provided by one party to another, such notice shall be in writing and directed to the Authorized Representatives identified in Article III.

**ARTICLE XIX
SURVIVORSHIP**

The following clauses survive the termination of this AGREEMENT:

- VIII Confidential Information
- IX. Immunity, Indemnification, and Limitations
- XIV. Severability
- XV. No Third Party Beneficiaries
- XVI. Dispute Resolution

**ARTICLE XX
INSURANCE**

WSALPHO shall insure that any Contractor shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect WSALPHO should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the Contractor or subcontractor, or agents of either, while performing under the terms of this AGREEMENT.

The Contractor shall provide insurance coverage that shall be maintained in full force and effect during the term of this AGREEMENT, as follows:

Commercial General Liability Insurance Policy: Provide a Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity but no less than \$1,000,000 per occurrence.

Professional Liability Insurance: Provide a Professional Liability Insurance policy, including contractual liability, in adequate quantity to protect against legal liability, but no less than \$1,000,000 per claim.

**ARTICLE XXI
OTHER OR PRIOR AGREEMENTS**

If WSALPHO and LHJ have a prior written AGREEMENT that relates to the subject matter of this AGREEMENT, namely, MAC claiming, then, at such time that WSALPHO and said LHJ both execute this AGREEMENT, such prior written AGREEMENT between them shall become null and void and of no further force and effect.

**ARTICLE XXII
GOVERNING LAW**

This AGREEMENT shall be interpreted, construed and enforced in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, this AGREEMENT has been executed and approved and is effective and operative by WSALPHO and LHJ as herein provided.

LHJ _____

WSALPHO

By: _____
Name
Title

By:  _____
Brad Banks
Managing Director

Date: _____

Date: 11/3/14 _____