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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF LONG TERM SUPPORTS AND SERVICES

Lori A. Shibiante
Commissioner

Deborah D. Scheetz
Director

105 PLEASANT STREET, CONCORD, NH 03301
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June 15, 2020

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Long Term Supports and Services, to enter into contracts with the Contractors listed below in an amount not to exceed \$1,308,960 for adult day program services, with the option to renew for up to two (2) additional years, effective upon Governor and Council approval through June 30, 2022. 56.65% Federal Funds. 43.35% General Funds.

Vendor Name	Vendor Code	Area Served	Contract Amount
Easter Seals New Hampshire, Inc.	177204	Manchester, NH and Rochester, NH	\$356,640.00
Area Agency of Greater Nashua, Inc.	155784	Nashua, NH	\$140,760.00
VNA at HCS, Inc.	177274	Keene, NH	\$237,720.00
Memorial Elder Health Services	TBD	No. Conway, NH	\$74,400.00
Nashua Adult Day Health, LLC	TBD	Nashua	\$499,440.00
		Total:	\$1,308,960.00

Funds are available in the following accounts for State Fiscal Year 2021, and are anticipated to be available in State Fiscal Year 2022, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

The purpose of this request is to provide adult day program services pursuant to the Older Americans Act, Title III Services and the Social Services Block Grant Programs, Title XX. The Contractors will provide adult day program services for individuals who reside in independent living settings and who meet the eligibility criteria.

Approximately 300 individuals will be served from July 1, 2020, to June 30, 2022.

The Contractors will provide adult day services that are licensed by the Department's Bureau of Health Facilities to eligible adults 18-59 years of age with physical disabilities and/or chronic illnesses, and frail adults sixty (60) years of age and older. The services will be provided at community-based sites during the day and will assist individuals with continuing to reside in their communities and homes. Services include supervision; assistance with daily activities; nursing care; rehabilitation services; meals; and recreational, social, cognitive and physical stimulation. Services also include monitoring of the individual's condition, referrals, and connections to other services and resources, as appropriate. In addition, these adult day services provide respite and support to caregiving families in order to maintain the care of the individual in the community.

The Department will monitor contracted services using the following performance measures:

- The number of applications and service requests received and processed.
- The number and percent of applicants found eligible for each service.
- The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.
- The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available.

The Department selected the Contractors through a competitive bid process using a Request for Applications (RFA) that was posted on the Department's website from 2/20/2020 through 4/9/2020. The Department received five (5) responses that were reviewed and scored by a team of qualified individuals. The Scoring Sheet is attached.

The Department requested that the Governor approve the addition of \$199,980 to the contracts listed in the table in the Requested Action Section to provide emergency federal COVID-19 funding to the Contractors to better support older, isolated, and frail adults, and adults 18-59 years of age with physical disabilities and/or chronic illnesses, who have become increasingly isolated during the COVID-19 pandemic. See the corresponding informational item on the 6/24/20 G&C agenda.

As referenced in Exhibit A, Revisions to Standard Contract Provisions, Subsection 1.2 of the attached contracts, the parties have the option to extend the agreements for up to two (2) additional years contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Executive Council not authorize this request, individuals in need of adult day care services may not be served, and the lack of these services may jeopardize family caregivers' ability to continue to support these individuals at home.

Areas served: Statewide.

Source of Funds: 62.40% Federal Funds (CFDA # #93.044, FAIN #2001NHOASS-01, CFDA #93.667, FAIN #2001NHSOSR, and CFDA #93.044, FAIN #2001NHSSC3-00), and 37.60% General Funds

In the event that the Federal Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,



Ann H. Landry

Associate Commissioner

Fiscal Details

05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS, 50% FEDERAL, 50% GENERAL

Nashua Adult Day Health, LLC

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$83,760.00
540-500382	SS Contracts	2022	\$83,760.00
		Subtotal	\$167,520.00

Memorial Elder Health Services

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$12,480.00
540-500382	SS Contracts	2022	\$12,480.00
		Subtotal	\$24,960.00

VNA at HCS, Inc.

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$39,840.00
540-500382	SS Contracts	2022	\$39,840.00
		Subtotal	\$79,680.00

Area Agency of Greater Nashua, Inc.

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$23,640.00
540-500382	SS Contracts	2022	\$23,640.00
		Subtotal	\$47,280.00

Easter Seals New Hampshire, Inc -Manchester

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$38,280.00
540-500382	SS Contracts	2022	\$38,280.00
			\$76,560.00

Fiscal Details

Easter Seals New Hampshire, Inc - Rochester

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$21,540.00
540-500382	SS Contracts	2022	\$21,540.00
			\$43,080.00

05-95-48-481010-7872; Summary for All Vendors

Class/Account	Class Title	SFY	Modified Budget
540-500382	SS Contracts	2021	\$219,540.00
540-500382	SS Contracts	2022	\$219,540.00
		Subtotal	\$439,080.00

05-95-48-481010-9255 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (60% Federal Funds; 40% General Funds)

Nashua Adult Day Health, LLC

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$165,960.00
566-500918	Contracts for Prog Svcs	2022	\$165,960.00
		Subtotal	\$331,920.00

Memorial Elder Health Services

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$24,720.00
566-500918	Contracts for Prog Svcs	2022	\$24,720.00
		Subtotal	\$49,440.00

VNA at HCS, Inc.

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$79,020.00
566-500918	Contracts for Prog Svcs	2022	\$79,020.00
		Subtotal	\$158,040.00

Fiscal Details

Area Agency of Greater Nashua, Inc.

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$46,740.00
566-500918	Contracts for Prog Svcs	2022	\$46,740.00
		Subtotal	\$93,480.00

Easter Seals New Hampshire, Inc - Manchester

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$75,840.00
566-500918	Contracts for Prog Svcs	2022	\$75,840.00
		Subtotal	\$151,680.00

Easter Seals New Hampshire, Inc - Rochester

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$42,660.00
566-500918	Contracts for Prog Svcs	2022	\$42,660.00
		Subtotal	\$85,320.00

05-95-48-481010-9255 Summary for All Vendors

Class/Account	Class Title	SFY	Modified Budget
566-500918	Contracts for Prog Svcs	2021	\$434,940.00
566-500918	Contracts for Prog Svcs	2022	\$434,940.00
		Subtotal	\$869,880.00

05-95-48-481010-1917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, CARES ACT TITLE III GRANTS, 100% FEDERAL

Nashua Adult Day Health, LLC

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$76,320.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
		Subtotal	\$76,320.00

Fiscal Details

Memorial Elder Health Services

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$11,340.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
		Subtotal	\$11,340.00

VNA at HCS, Inc.

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$36,360.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
		Subtotal	\$36,360.00

Area Agency of Greater Nashua, Inc.

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$21,480.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
		Subtotal	\$21,480.00

Easter Seals New Hampshire, Inc - Manchester

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$34,860.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
			\$34,860.00

Easter Seals New Hampshire, Inc - Rochester

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$19,620.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
			\$19,620.00

05:95-48-481010:1917 Summary for All Vendors

Class/Account	Class Title	SFY	Modified Budget
102-500731	Contracts for Prog Svcs	2021	\$199,980.00
102-500731	Contracts for Prog Svcs	2022	\$0.00
		Subtotal	\$199,980.00

Fiscal Details

Summary by Vendor by Year
Nashua Adult Day Health, LLC

		SFY	Modified Budget
		2021	\$326,040.00
		2022	\$249,720.00
		Subtotal	\$575,760.00

Memorial Elder Health Services

		SFY	Modified Budget
		2021	\$48,540.00
		2022	\$37,200.00
		Subtotal	\$85,740.00

VNA at HCS, Inc.

		SFY	Modified Budget
		2021	\$155,220.00
		2022	\$118,860.00
		Subtotal	\$274,080.00

Area Agency of Greater Nashua, Inc.

		SFY	Modified Budget
		2021	\$91,860.00
		2022	\$70,380.00
		Subtotal	\$162,240.00

Easter Seals New Hampshire, Inc - Manchester

		SFY	Modified Budget
		2021	\$148,980.00
		2022	\$114,120.00
		Subtotal	\$263,100.00

Easter Seals New Hampshire, Inc - Rochester

		SFY	Modified Budget
		2021	\$83,820.00
		2022	\$64,200.00
		Subtotal	\$148,020.00

Grand Total SFY21	2021	\$854,460.00
Grand Total SFY22	2022	\$654,480.00
Total Contract		\$1,508,940.00



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Adult Day Care Services

RFA-2021-DLTSS-02-ADULT

RFA Name

RFA Number

Reviewer Names

Bidder Name

1. EASTER SEALS NEW HAMPSHIRE, INC.
2. Gateways Community Services
3. HOME HEALTHCARE, HOSPICE AND
COMMUNITY SERVICES, INC.
4. Memorial Elder Health Services
5. NASHUA ADULT DAY HEALTH, LLC

Pass	Fail
Pass	
Pass	
Pass	
Pass	
Pass	

1. Thom O'Connor, Administrator I
2. Jean Couch, Supervisor VII
3. Tracey Tarr, Administrator II

Subject: Adult Day Program Services (RFA-2021-DLTSS-02-ADULT-01) _____

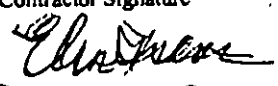
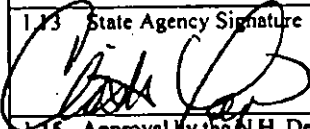
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Easter Seals New Hampshire, Inc		1.4 Contractor Address 555 Auburn Street Manchester, NH 03103	
1.5 Contractor Phone Number (603) 555-8863	1.6 Account Number 05-95-48-481010-7872-540-500382; 05-95-48-481010-9255-566500918; 05-95-48-481010-1917-102-500731	1.7 Completion Date June 30, 2022	1.8 Price Limitation \$411,120
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 6/10/2020		1.12 Name and Title of Contractor Signatory Elin Treanor, CFO	
1.13 State Agency Signature  Date: 6/8/2020		1.14 Name and Title of State Agency Signatory Christie Tappan, Associate Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: Catherine Pinos On: 06/10/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

Contractor Initials ET
 Date 6/11/2020

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials

Date

ES
6/17/2020

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



EXHIBIT A

REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:
 - 3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2020 ("Effective Date").
- 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two (2) of years additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services under this Agreement for individuals who are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, or who are not eligible for other New Hampshire Medicaid services, or who are not receiving the same or similar services through the Veterans' Administration.
- 1.2. For the purposes of this agreement, all references to days shall mean calendar days.
- 1.3. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from (8:00 am to 5:00 pm), excluding state and federal holidays.
- 1.4. The Contractor shall provide Adult Day Program Services in Manchester, New Hampshire and in Rochester, New Hampshire.
- 1.5. The Contractor shall be licensed as an adult day program in accordance with RSA 151:2 I (f) and as governed by New Hampshire Code of Administrative Rules Part He-P 818, Adult Day Programs.
- 1.6. The Contractor shall provide services in accordance with New Hampshire Administrative Rule He-E 501, The Social Services Block Grant (Title XX) and New Hampshire Administrative Rule He-E 502, The Older American Act Services: Title IIIB Supportive Services, governing Adult Day Program Services.
- 1.7. The Contractor shall provide services and administration of the program in accordance with the applicable federal and state laws, NH Administrative Rules He-E 501 and He-E 502, policies and regulations adopted by the Department currently in effect, and as they may be adopted or amended during the contract period.
- 1.8. The Contractor shall provide services in a supervised setting for fewer than twelve (12) hours a day to individuals 18 years of age and older, based on an individual's needs, which may include, but are not limited to:
 - 1.8.1. Assistance with activities of daily living.
 - 1.8.2. Nursing care and rehabilitation services.
 - 1.8.3. Recreational, social, cognitive and physical stimulation activities.
 - 1.8.4. Monitoring of the individual's condition
 - 1.8.5. Counseling, as appropriate, on nutrition, hygiene or other related matters.
 - 1.8.6. Referrals to other services and resources as necessary.
 - 1.8.7. Assistance and support to caregiving families

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EXHIBIT B

- 1.9. The State reserves the right to require services to be concurrently provided in facilities and in an alternative setting. The Contractor may:
- 1.9.1. Provide adult day program services in an alternative setting approved by the Department, during a declaration of emergency or disaster issued by the Governor. The Contractor shall:
 - 1.9.1.1. Comply with all laws, rules, and guidance in accordance with the State of New Hampshire and the federal Older American Act Services.
 - 1.9.1.2. Comply with guidelines from the Centers for Disease Control and Prevention (CDC) and the Department, as directed by the Department during emergencies.
 - 1.9.1.3. Obtain Department consent for modifications due to suspended in-facility services.
 - 1.9.1.4. Provide services in accordance with guidance from the Department that include, but are not limited to:
 - 1.9.1.4.1. Continuation of certain services, telephonically or via video chat, to individuals currently receiving services.
 - 1.9.1.4.2. Completion of the Daily Care Connection form issued by the Department for each remote contact with a participant.
- 1.10. The Contractor shall provide services to individuals referred by:
- 1.10.1. The Adult Protection Program.
 - 1.10.2. Direct application to the Contractor for services.
 - 1.10.3. NH ServiceLink Resource Centers and other community agencies.
 - 1.10.4. Self-referral.
- 1.11. The Contractor shall conduct an expedited intake for individuals referred by the Adult Protection Program in accordance with the NH Administrative Rules He-E 501 and 502, which include, but are not limited to:
- 1.11.1. Waiving application, determination and redetermination requirements.
 - 1.11.2. Utilizing information provided by Adult Protective Program staff to provide appropriate services.
 - 1.11.3. Reporting suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law.
 - 1.11.4. Making a good-faith effort to ensure the provision of services.



EXHIBIT B

- 1.11.5. Informing the referring Adult Protective Program staff of any changes to the referred individual's situation, or other concerns.
- 1.12. The Contractor shall determine eligibility for services, and complete an intake and an application for services for individuals who apply directly to the Contractor, in accordance with NH Administrative Rules He-E 501 and 502.
- 1.13. The Contractor shall provide written notice of eligibility to each individual who applies to the Contractor for services no later than forty-five (45) days from the date eligibility is determined, which includes, but is not limited to:
- 1.13.1. Services to be provided including frequency; and
 - 1.13.2. Beginning and end dates for the period of eligibility; or
 - 1.13.3. If the individual is determined to not be eligible for service(s), the notice shall include, but is not limited to:
 - 1.13.3.1. The reason(s) for the denial;
 - 1.13.3.2. A statement regarding the right of the individual or his or her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 1.13.3.3. Contact information for requesting an administrative hearing, as described in New Hampshire Administrative Rule He-E 501.11.
- 1.14. The Contractors shall use the Department's Form 3000 application when determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX).
- 1.15. The Contractor shall submit its policies and procedures for client eligibility determination and redetermination to the Department for review and approval, within 30 days of the start of each State Fiscal Year. The Contractor shall:
- 1.15.1. Terminate services when:
 - 1.15.1.1. The individual or his or her authorized representative requests that the services be terminated.
 - 1.15.1.2. The individual no longer meets the eligibility requirements for services.
 - 1.15.1.3. Funding by the State for the service(s) is no longer available.
 - 1.15.1.4. The individual did not reapply for services as required by program rules.
 - 1.15.1.5. The individual is admitted to a nursing home or residential care facility.
 - 1.15.2. Request a service authorization from the Department for each individual determined eligible for services.



EXHIBIT B

1.15.3. Submit a completed Form 3502 "Contract Service Authorization-New Authorization," in accordance with NH Administrative rule He-E 501.15, for each client determined eligible for services. The completed Form 3502 may include more than one services and shall be submitted to:

Bureau of Data Management
129 Pleasant Street
Concord, NH 03301

1.15.4. Assess each individual's needs and develop a written service plan; maintain written progress notes; and monitor and adjust the service plans to meet the individual's needs, in accordance with NH Administrative Rules He-E 501 and He-E 502.

1.15.5. Incorporate the following Guiding Principles for Person-Centered Planning Philosophy into agency functions, policies, and staff-client interactions when providing services::

1.15.5.1. Individuals and families are invited, welcomed, and supported as full participants in service planning and decision-making.

1.15.5.2. Individual's wishes, values, and beliefs are considered and respected.

1.15.5.3. Individual is listened to; needs and concerns are addressed.

1.15.5.4. Individual receives the information he/she needs to make informed decisions.

1.15.5.5. Planning is responsive to the individual. His or her preferences drive the planning process, though the decision making process may need to be accelerated to respond to emergencies.

1.15.5.6. Services are designed, scheduled, and delivered to best meet the needs and preferences of the individual.

1.15.5.7. The system is committed to excellence and quality improvement.

1.15.5.8. Individual rights are affirmed and protected.

1.15.5.9. Individuals are protected from exploitation, abuse, and neglect.

1.15.5.10. The service system is accessible, responsive, and accountable to the individual.



EXHIBIT B

- 1.15.6. Maintain a level of staffing necessary to perform and provide the functions, requirements, roles, and duties in a timely fashion for the number of clients identified in this Agreement.
- 1.15.7. Develop and submit its written Staffing Contingency Plan to the Department within 30 days of contract approval date, which includes, but is not limited to:
 - 1.15.7.1. The process for replacing personnel in the event of loss of personnel during contract period.
 - 1.15.7.2. A description of how additional staff resources will be allocated to support contract services in the event of inability to meet any performance standard.
 - 1.15.7.3. A description of time frames necessary for obtaining staff replacements.
 - 1.15.7.4. An explanation of capabilities to provide, in a timely manner, staff replacements and/or additions with comparable experience.
 - 1.15.7.5. A description of the method for training new staff members performing contract services.
- 1.15.8. Verify each staff member and each volunteer completes appropriate orientation and training; has the required education; and has the appropriate experience to fulfill the responsibilities of their respective position. The Contractor shall maintain all relevant documents, including, but not limited to:
 - 1.15.8.1. Current personnel records.
 - 1.15.8.2. Training records.
 - 1.15.8.3. Licenses.
 - 1.15.8.4. Certifications.
- 1.16. The Contractor shall maintain a system for tracking, resolving, and reporting client complaints relative to services, processes, procedures, and staff. The Contractor shall provide a written record of all complaints to the Department, upon request, ensuring the information includes, but is not limited to:
 - 1.16.1. Individual's name.
 - 1.16.2. Type of service.
 - 1.16.3. Date of complaint.
 - 1.16.4. A description of the complaint.
 - 1.16.5. Resolution to the complaint.
 - 1.16.6. Notice of right to appeal.

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EXHIBIT B

- 1.17. The Contractor shall complete a criminal background check for each staff member or volunteer who interacts with or provides hands-on care to individuals in compliance with the requirements of NH Administrative Rule He-P 818, Adult Day Programs.
- 1.18. The Contractor shall not commence delivery of services prior to the receipt by the Department of documentation required in Subsection 1.17, above.
- 1.19. The Contractor shall develop a survey, to be approved by the Department, and conduct a survey of individuals receiving services, via telephone, mail, e-mail, or face-to-face.
- 1.20. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services.
- 1.21. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services, in accordance with NH Administrative Rule He-E 501.10, in the event that:
 - 1.21.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 1.21.2. The Contractor terminates a service or services for any reason; or
 - 1.21.3. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

2. Exhibits Incorporated

- 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Reporting Requirements

- 3.1. The Contractor shall submit quarterly reports on the provision of Adult Day Care services to the Department, on a pre-defined electronic form supplied by the Department. The Contractor shall:
 - 3.1.1. Submit reports to the Department no later than the 15th day of the month following the end of each quarter.
 - 3.1.2. Ensure each report includes, but is not limited to:

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EXHIBIT B

- 3.1.2.1. Total expenses.
- 3.1.2.2. Revenue.
- 3.1.2.3. Actual Units served, sorted by funding source.
- 3.1.2.4. Number of unduplicated clients served, sorted by funding source.
- 3.1.2.5. Number of Title III and Title XX clients served with funds not provided by the Department.
- 3.1.2.6. Unmet need/waiting list.
- 3.1.2.7. Length of time clients are on a waiting list.
- 3.1.2.8. A narrative description of activities during the previous quarter, which shall include, but is not limited to:
 - 3.1.2.8.1. Quality improvement activities initiated in response to each complaint.
 - 3.1.2.8.2. An explanation for each instance in which an individual did not receive planned services.
- 3.2. The Contractor shall report suspected abuse, neglect, self-neglect, and/or exploitation of incapacitated adults as required by RSA 161-F:46 of the Adult Protection law.
- 3.3. The Contractor shall provide written notice of the inability to meet any contract service obligations, including but not limited to reducing hours of operations; changing services area; or closing and/or opening a site at least ninety (90) days prior to the event. The Contractor shall:
 - 3.3.1. Mail written notices to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 105 Pleasant Street
 - Concord, NH 03301
 - 3.3.2. Ensure written notifications include:
 - 3.3.2.1. Reason(s) for the inability to deliver services;
 - 3.3.2.2. How service recipients and the community will be impacted;
 - 3.3.2.3. How service recipients and the community will be notified; and
 - 3.3.2.4. A plan to transition clients into other services or refer the clients to other agencies.

4. Performance Measures



EXHIBIT B

- 4.1. The Department will monitor Contractor performance by evaluating the following performance measures:
- 4.1.1. Eligibility
 - 4.1.1.1. The number of applications and service requests and
 - 4.1.1.2. The number and percent of applicants found eligible for each service.
 - 4.1.1.3. The number and percent of applicants found ineligible for each service.
 - 4.1.1.4. The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.
 - 4.1.1.5. The number and percent of individuals who have experienced a safety-related incident or accident, which occurs during times of face-to-face contact.
 - 4.1.1.6. The number and percent of individuals for whom a report to Adult Protective Services was made.
 - 4.1.2. Service Delivery
 - 4.1.2.1. The number of open cases at the end of each reporting period, and
 - 4.1.2.2. The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available due to inadequate staffing or other related provider issue or due to lack of transportation, etc.
 - 4.1.2.3. The number and percent of individuals completing the survey
- 4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.
- 4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

- 5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities



EXHIBIT B

and expenditure requirements under this Agreement so as to achieve compliance therewith.

5.2. Culturally and Linguistically Appropriate Services (CLAS)

5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

5.3. Credits and Copyright Ownership

5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

- 5.3.3.1. Brochures.
- 5.3.3.2. Resource directories.
- 5.3.3.3. Protocols or guidelines.
- 5.3.3.4. Posters.
- 5.3.3.5. Reports.

5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5.4. Operation of Facilities: Compliance with Laws and Regulations

5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said



EXHIBIT B

license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

5.5. Eligibility Determinations

- 5.5.1. If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
- 5.5.2. Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
- 5.5.3. In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
- 5.5.4. The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Records

- 6.1. The Contractor shall keep records that include, but are not limited to:
 - 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 6.1.2. All records shall be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions

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EXHIBIT B

and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

6.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

6.1.4. Medical records on each patient/recipient of services.

6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 62.40% Federal Funds by the:
 - 1.1.1. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Administration on Aging Services Grants (CFDA:#93.044), FAIN #2001NHOASS-01, as awarded on September 1, 2019. 14.55% Federal funds
 - 1.1.2. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Social Services Block Grant (CFDA:#93.667), FAIN #2001NHSOSR, as awarded on September 1, 2019. 34.60% Federal Funds
 - 1.1.3. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, CARES Act Title III Grants (CFDA:#93.044), FAIN #2001NHSSC3-00, as awarded on April 20, 2020. 13.25% Federal funds
 - 1.2. 37.60% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a (Subrecipient or Contractor), in accordance with 2 CFR 200.330.
 - 2.2. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment in accordance with the rates and units specified in Exhibit C-1, Rate Sheet and Exhibit C-2, Rate Sheet
4. The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.beasinvoices@dhhs.nh.gov or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if

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New Hampshire Department of Health and Human Services
Adult Day Program Services



EXHIBIT C

sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200; during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

Easter Seals New Hampshire, Inc

Exhibit C

Contractor Initials

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Date

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New Hampshire Department of Health and Human Services
Adult Day Program Services



EXHIBIT C

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- 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
 - 12.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

Exhibit C-1 Rate Sheet

Easter Seals New Hampshire, Inc. Manchester Location

7/1/2020 through 06/30/2021 Service Units

Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	1,264	\$60.00	\$ 75,840.00
Title IIIB AGDC	Per Day/Per Person	638	\$60.00	\$ 38,280.00
Title IIIB AGDC COVID	Per Day/Per Person	581	\$60.00	\$ 34,860.00

7/1/2021 through 06/30/2022 Service Units

Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	1,264	\$60.00	\$ 75,840.00
Title IIIB AGDC	Per Day/Per Person	638	\$60.00	\$ 38,280.00

Exhibit C-2 Rate Sheet

Easter Seals New Hampshire, Inc. Rochester Location
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7/1/2020 through 06/30/2021 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	711	\$60.00	\$ 42,660.00
Title IIIB AGDC	Per Day/Per Person	359	\$60.00	\$ 21,540.00
Title IIIB AGDC COVID	Per Day/Per Person	327	\$60.00	\$ 19,620.00

7/1/2021 through 06/30/2022 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	711	\$60.00	\$ 42,660.00
Title IIIB AGDC	Per Day/Per Person	359	\$60.00	\$ 21,540.00



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

555 Auburn St Manchester, NH 03103

215 Rochester Hill Rd Rochester, NH 03867

Check if there are workplaces on file that are not identified here.

Vendor Name: Easter Seals NH, Inc

Date

6/8/2020

Name: Elin Treanor

Title: CFO

Elin Treanor

Vendor Initials

ET

Date

6/8/2020



CERTIFICATION REGARDING LOBBYING

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name: Easter Seals NH, Inc

Date

6/8/2020

Name: Elin Treanor
Title: CFO

Elin Treanor

Exhibit E - Certification Regarding Lobbying

Vendor Initials ET

Date

6/8/2020



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (l)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Easter Seals NH, Inc

6/8/2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

EG

4/18/20

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Easter Seals NH, Inc

Date

6/8/2020


Name: Elin Treanor
Title: CFO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials ET

Date 6/8/2020



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Easter Seals NH, Inc

6/8/2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Contractor Initials

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Date

6/8/2020



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
- I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed;
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Signature of Authorized Representative

Christine Toppas

Name of Authorized Representative

Associate Commissioner

Title of Authorized Representative

6-8-2020

Date

Easter Seals NH, Inc

Name of the Contractor

Signature of Authorized Representative

Elin Treanor

Name of Authorized Representative

CFO

Title of Authorized Representative

6/8/2020

Date



CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Easter Seals NH, Inc

6/8/2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 085573467
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed:
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV, A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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6/5/2020

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

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4/15/2020

State of New Hampshire

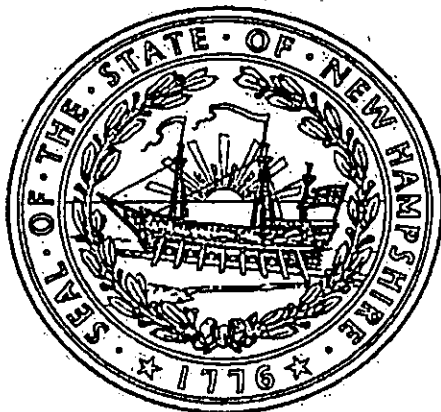
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that EASTER SEALS NEW HAMPSHIRE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 06, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 61290

Certificate Number: 0004881223



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of April A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Cynthia Ross, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Easter Seals New Hampshire, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on April 8, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Elin Treanor, CFO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Easter Seals New Hampshire, Inc. to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 6.8.2020

Cynthia Ross
Signature of Elected Officer
Name: Cynthia Ross
Title: Assistant Secretary

STATE OF NEW HAMPSHIRE

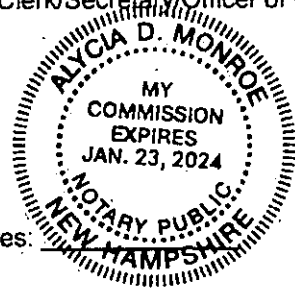
County of Hillsborough

The foregoing instrument was acknowledged before me this 8th day of June, 2020

By Cynthia Ross
(Name of Elected Clerk/Secretary/Officer of the Agency)

Alycia D. Monroe
(Notary Public/Justice of the Peace)

(NOTARY SEAL)



Commission Expires:

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 8/26/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: USI Insurance Services LLC, 3 Executive Park Drive, Suite 300, Bedford, NH 03110, 855 874-0123. CONTACT NAME, PHONE (A/C, No, Ext): 855 874-0123, FAX (A/C, No):. INSURER(S) AFFORDING COVERAGE: INSURER A: Philadelphia Indemnity Insurance Co., NAIC #: 18058.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation, and EDP.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) *Supplemental Names*: Easter Seals ME, Inc., Manchester Alcohol Rehabilitation Center, Inc., dba The Farnum Center, Easter Seals VT, Inc., & The Homemakers Health Services.

CERTIFICATE HOLDER: Department of Health & Human Services, State of NH, 129 Pleasant Street, Concord, NH 03301. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: [Signature]

DESCRIPTIONS (Continued from Page 1)

above referenced on behalf of the named insured. The General Liability policy contains a special endorsement with "Primary and Non-Contributory" wording.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/2/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hays Companies Inc. 133 Federal Street, 4th Floor Boston MA 02110	CONTACT NAME: Tina Housman PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: thousman@hayscompanies.com
	INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: The North River Insurance Company 21105 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:


COVERAGES **CERTIFICATE NUMBER:** 20-21 WC **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	406-731971-7	1/1/2020	1/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

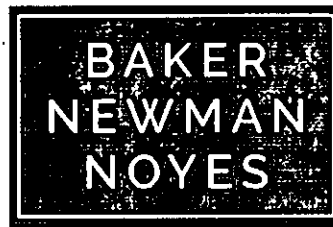
Evidence of Insurance

CERTIFICATE HOLDER State of NH NH Dept. of Health & Human Services Bureau of Elderly & Adult Services 129 Pleasant St. Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE James Hays/GSCHIC 
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Mission:

Easterseals provides exceptional services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.



**Easter Seals New Hampshire, Inc.
and Subsidiaries**

Consolidated Financial Statements and
Other Financial Information

*Years Ended August 31, 2019 and 2018
With Independent Auditors' Report*

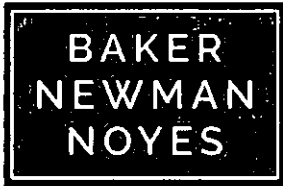
EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION**

For the Years Ended August 31, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH), which comprise the consolidated statements of financial position as of August 31, 2019 and 2018, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Easter Seals NH as of August 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, in 2019, Easter Seals NH adopted Financial Accounting Standards Board Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, and applied the guidance retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying other financial information is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2019, on our consideration of Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Easter Seals New Hampshire's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and compliance.

Baker Newman & Noyes LLC

Manchester, New Hampshire
December 9, 2019

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 3,341,755	\$ 2,365,508
Short-term investments, at fair value	3,094,539	3,002,574
Program, and other accounts receivable, less contractual allowance of \$9,657,800 in 2019, and \$12,719,900 in 2018, and allowance for doubtful accounts of \$2,180,600 in 2019 and \$2,377,500 in 2018	11,408,200	11,083,589
Contributions receivable, less allowance for doubtful accounts of \$63,400 in 2019 and \$66,600 in 2018	499,216	495,957
Current portion of assets limited as to use	403,917	894,523
Prepaid expenses and other current assets	<u>522,436</u>	<u>431,780</u>
Total current assets	19,270,063	18,273,931
Assets limited as to use, net of current portion	1,807,587	1,660,727
Investments, at fair value	12,793,877	12,777,572
Beneficial interest in trust held by others and other assets	139,926	206,608
Fixed assets, net	<u>29,384,642</u>	<u>28,795,786</u>
	<u>\$63,396,095</u>	<u>\$61,714,624</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Line of credit	\$ -	\$ 610,319
Accounts payable	2,655,352	2,722,563
Accrued expenses	6,400,152	5,334,857
Deferred revenue	383,288	704,650
Current portion of interest rate swap agreements	295,305	244,261
Current portion of long-term debt	<u>1,243,661</u>	<u>1,241,671</u>
Total current liabilities	10,977,758	10,858,321
Other liabilities	1,807,587	1,660,727
Interest rate swap agreements, less current portion	2,359,688	1,528,323
Long-term debt, less current portion, net	<u>20,122,563</u>	<u>21,049,598</u>
Total liabilities	35,267,596	35,096,969
Net assets:		
Without donor restrictions	22,045,456	19,284,594
With donor restrictions	<u>6,083,043</u>	<u>7,333,061</u>
Total net assets	<u>28,128,499</u>	<u>26,617,655</u>
	<u>\$63,396,095</u>	<u>\$61,714,624</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenue:			
Public support:			
Contributions, net	\$ 686,410	\$ 310,395	\$ 996,805
Special events, net of related direct costs of \$1,108,200	1,706,856	383,031	2,089,887
Annual campaigns, net of related direct costs of \$105,511	390,714	43,117	433,831
Bequests	391,990	-	391,990
Net assets released from restrictions	<u>2,015,084</u>	<u>(2,015,084)</u>	<u>-</u>
Total public support	5,191,054	(1,278,541)	3,912,513
Revenue:			
Fees and grants from governmental agencies and others, net	66,160,439	-	66,160,439
Other grants	25,376,374	-	25,376,374
Dividend and interest income	606,815	15,749	622,564
Rental income	32,170	-	32,170
Other	<u>212,238</u>	<u>-</u>	<u>212,238</u>
Total revenue	<u>92,388,036</u>	<u>15,749</u>	<u>92,403,785</u>
Total public support and revenue	97,579,090	(1,262,792)	96,316,298
Operating expenses:			
Program services:			
Public health education	252,472	-	252,472
Professional education	74,330	-	74,330
Direct services	<u>84,245,017</u>	<u>-</u>	<u>84,245,017</u>
Total program services	84,571,819	-	84,571,819
Supporting services:			
Management and general	9,047,284	-	9,047,284
Fundraising	<u>923,527</u>	<u>-</u>	<u>923,527</u>
Total supporting services	<u>9,970,811</u>	<u>-</u>	<u>9,970,811</u>
Total functional expenses	94,542,630	-	94,542,630
Support of National programs	<u>103,125</u>	<u>-</u>	<u>103,125</u>
Total operating expenses	<u>94,645,755</u>	<u>-</u>	<u>94,645,755</u>
Increase (decrease) in net assets from operations	2,933,335	(1,262,792)	1,670,543

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Other non-operating expenses, gains and losses:			
Change in fair value of interest rate swaps	\$ (882,409)	\$ -	\$ (882,409)
Net unrealized and realized gains (losses) on investments, net	(228,319)	17,047	(211,272)
Decrease in fair value of beneficial interest in trust held by others	-	(4,273)	(4,273)
Loss on sales and disposals of fixed assets	(119,135)	-	(119,135)
Contribution of assets from affiliation – see note 16	1,014,679	-	1,014,679
Other non-operating gains	<u>42,711</u>	<u>-</u>	<u>42,711</u>
	<u>(172,473)</u>	<u>12,774</u>	<u>(159,699)</u>
Total increase (decrease) in net assets	2,760,862	(1,250,018)	1,510,844
Net assets at beginning of year	<u>19,284,594</u>	<u>7,333,061</u>	<u>26,617,655</u>
Net assets at end of year	<u>\$22,045,456</u>	<u>\$ 6,083,043</u>	<u>\$28,128,499</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenue:			
Public support:			
Contributions, net	\$ 1,342,659	\$ 682,437	\$ 2,025,096
Special events, net of related direct costs of \$1,027,034	-	1,954,318	1,954,318
Annual campaigns, net of related direct costs of \$117,055	324,504	56,838	381,342
Bequests	138,000	-	138,000
Net assets released from restrictions	<u>3,157,024</u>	<u>(3,157,024)</u>	<u>-</u>
Total public support	4,962,187	(463,431)	4,498,756
Revenue:			
Fees and grants from governmental agencies and others, net	63,635,700	-	63,635,700
Other grants	22,473,591	-	22,473,591
Dividend and interest income	575,571	15,711	591,282
Rental income	27,050	-	27,050
Other	<u>122,688</u>	<u>-</u>	<u>122,688</u>
Total revenue	<u>86,834,600</u>	<u>15,711</u>	<u>86,850,311</u>
Total public support and revenue	91,796,787	(447,720)	91,349,067
Operating expenses:			
Program services:			
Public health education	254,896	-	254,896
Professional education	23,007	-	23,007
Direct services	<u>79,618,852</u>	<u>-</u>	<u>79,618,852</u>
Total program services	79,896,755	-	79,896,755
Supporting services:			
Management and general	8,566,845	-	8,566,845
Fundraising	<u>1,142,077</u>	<u>-</u>	<u>1,142,077</u>
Total supporting services	<u>9,708,922</u>	<u>-</u>	<u>9,708,922</u>
Total functional expenses	89,605,677	-	89,605,677
Support of National programs	<u>39,036</u>	<u>-</u>	<u>39,036</u>
Total operating expenses	<u>89,644,713</u>	<u>-</u>	<u>89,644,713</u>
Increase (decrease) in net assets from operations	2,152,074	(447,720)	1,704,354

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Other non-operating expenses, gains and losses:			
Change in fair value of interest rate swaps	\$ 869,089	\$ -	\$ 869,089
Net unrealized and realized gains on investments, net	477,782	75,633	553,415
Increase in fair value of beneficial interest in trust held by others	-	7,606	7,606
Loss on sales and disposals of fixed assets	(9,100)	-	(9,100)
Other non-operating losses	<u>(31,893)</u>	<u>(569)</u>	<u>(32,462)</u>
	<u>1,305,878</u>	<u>82,670</u>	<u>1,388,548</u>
 Increase (decrease) in net assets before effects of discontinued operations	 3,457,952	 (365,050)	 3,092,902
 Loss from discontinued operations – see note 15	 <u>(8,280)</u>	 <u>-</u>	 <u>(8,280)</u>
 Total increase (decrease) in net assets	 3,449,672	 (365,050)	 3,084,622
 Net assets at beginning of year	 <u>15,834,922</u>	 <u>7,698,111</u>	 <u>23,533,033</u>
 Net assets at end of year	 <u>\$19,284,594</u>	 <u>\$ 7,333,061</u>	 <u>\$26,617,655</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2019

	Program Services				Supporting Services			Total Program and Supporting Services Expenses	
	Public Health Education	Professional Education	Direct Services	Total	Management and General	Fund-Raising	Total	2019	2018
Salaries and related expenses	\$156,831	\$ -	\$65,487,300	\$65,644,131	\$5,801,139	\$ 669,977	\$ 6,471,116	\$72,115,247	\$67,908,410
Professional fees	23,792	17,889	6,836,726	6,878,407	2,038,327	77,780	2,116,107	8,994,514	8,797,056
Supplies	2,609	-	2,372,246	2,374,855	52,264	28,509	80,773	2,455,628	2,417,883
Telephone	556	-	432,634	433,190	207,120	3,675	210,795	643,985	626,432
Postage and shipping	1,467	-	21,875	23,342	22,010	9,801	31,811	55,153	54,773
Occupancy	-	-	2,438,934	2,438,934	350,501	64,594	415,095	2,854,029	2,531,788
Outside printing, artwork and media	20,404	-	7,849	28,253	4,648	18,835	23,483	51,736	50,694
Travel	34	-	2,339,847	2,339,881	24,149	3,395	27,544	2,367,425	2,392,563
Conventions and meetings	21,344	56,441	169,957	247,742	67,148	25,277	92,425	340,167	258,677
Specific assistance to individuals	-	-	1,133,753	1,133,753	52	-	52	1,133,805	1,130,193
Dues and subscriptions	178	-	35,704	35,882	10,706	529	11,235	47,117	65,488
Minor equipment purchases and equipment rental	775	-	214,435	215,210	116,762	5,605	122,367	337,577	364,846
Ads, fees and miscellaneous	24,482	-	172,435	196,917	27,405	10,502	37,907	234,824	193,188
Interest	-	-	797,750	797,750	201,242	-	201,242	998,992	1,024,622
Depreciation and amortization	-	-	1,749,390	1,749,390	123,811	5,048	128,859	1,878,249	1,789,064
Miscellaneous business tax	-	-	34,182	34,182	-	-	-	34,182	-
	<u>\$252,472</u>	<u>\$74,330</u>	<u>\$84,245,017</u>	<u>\$84,571,819</u>	<u>\$9,047,284</u>	<u>\$ 923,527</u>	<u>\$ 9,970,811</u>	<u>\$94,542,630</u>	<u>\$89,605,677</u>
	0.27%	0.07%	89.11%	89.45%	9.57%	0.98%	10.55%	100.00%	100.00%

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2018

	Program Services ⁽¹⁾				Supporting Services ⁽¹⁾			Total Program ⁽¹⁾ and Supporting Services Expenses
	Public Health Education	Profes- sional Education	Direct Services	Total	Manage- ment and General	Fund- Raising	Total	2018
Salaries and related expenses	\$154,060	\$ -	\$61,302,135	\$61,456,195	\$5,657,065	\$ 795,150	\$6,452,215	\$67,908,410
Professional fees	24,294	-	6,839,875	6,864,169	1,753,842	179,045	1,932,887	8,797,056
Supplies	5,740	-	2,317,739	2,323,479	59,977	34,427	94,404	2,417,883
Telephone	322	-	407,755	408,077	214,817	3,538	218,355	626,432
Postage and shipping	4,155	-	21,036	25,191	20,934	8,648	29,582	54,773
Occupancy	-	-	2,143,852	2,143,852	326,771	61,165	387,936	2,531,788
Outside printing, artwork and media	13,131	-	16,639	29,770	3,206	17,718	20,924	50,694
Travel	377	-	2,364,814	2,365,191	21,669	5,703	27,372	2,392,563
Conventions and meetings	25,854	23,007	170,684	219,545	17,123	22,009	39,132	258,677
Specific assistance to individuals	-	-	1,121,594	1,121,594	8,599	-	8,599	1,130,193
Dues and subscriptions	-	-	18,734	18,734	43,834	2,920	46,754	65,488
Minor equipment purchases and equipment rental	835	-	266,961	267,796	93,482	3,568	97,050	364,846
Ads, fees and miscellaneous	26,128	-	125,526	151,654	37,253	4,281	41,534	193,188
Interest	-	-	829,763	829,763	194,859	-	194,859	1,024,622
Depreciation and amortization	-	-	1,671,745	1,671,745	113,414	3,905	117,319	1,789,064
	<u>\$254,896</u>	<u>\$23,007</u>	<u>\$79,618,852</u>	<u>\$79,896,755</u>	<u>\$8,566,845</u>	<u>\$1,142,077</u>	<u>\$9,708,922</u>	<u>\$89,605,677</u>
	0.28%	0.03%	88.85%	89.16%	9.56%	1.28%	10.84%	100.00%

⁽¹⁾ Excludes expenses related to discontinued operations – see note 15.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase in net assets	\$ 1,510,844	\$ 3,084,622
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,878,249	1,789,064
Bad debt provision	1,444,413	1,640,474
Bond issuance costs amortization	6,109	6,109
Decrease (increase) in fair value of beneficial interest in trust held by others	4,273	(7,606)
Net loss on sales and disposals of fixed assets	119,135	9,100
Change in fair value of interest rate swaps	882,409	(869,089)
Net unrealized and realized losses (gains) on investments, net	211,272	(553,415)
Donor restricted contributions	(310,395)	(682,437)
Contribution of assets from affiliation	(1,014,679)	-
Changes in operating assets and liabilities:		
Program and other accounts receivable	(1,620,411)	(3,417,878)
Contributions receivable	(3,259)	86,551
Prepaid expenses and other current assets	(90,656)	1,076
Other assets	62,409	259,908
Accounts payable and accrued expenses	839,088	866,572
Deferred revenue	(321,362)	(979,155)
Other liabilities	<u>146,860</u>	<u>242,867</u>
Net cash provided by operating activities	3,744,299	1,476,763
Cash flows from investing activities:		
Purchases of fixed assets	(1,583,861)	(2,145,609)
Proceeds from sale of fixed assets	28,503	-
Change in investments, net	(319,542)	(382,689)
Change in assets limited as to use	343,746	535,158
Cash acquired from assets of affiliation	<u>119,865</u>	<u>-</u>
Net cash used by investing activities	(1,411,289)	(1,993,140)
Cash flows from financing activities:		
Repayment of long-term debt and capital lease obligation	(1,279,595)	(2,029,914)
Proceeds from long-term debt	222,756	-
Borrowings on lines of credit	(610,319)	610,319
Donor restricted contributions	<u>310,395</u>	<u>682,437</u>
Net cash used by financing activities	<u>(1,356,763)</u>	<u>(737,158)</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Increase (decrease) in cash and cash equivalents	\$ 976,247	\$(1,253,535)
Cash and cash equivalents, beginning of year	<u>2,365,508</u>	<u>3,619,043</u>
Cash and cash equivalents, end of year	<u>\$ 3,341,755</u>	<u>\$ 2,365,508</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 1,009,000</u>	<u>\$ 1,023,000</u>

Certain assets and liabilities were acquired and recorded at their estimated fair values on September 1, 2018 as a result of the affiliation described in note 16.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

1. Corporate Organization and Purpose

Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH) consists of various separate nonprofit entities: Easter Seals New Hampshire, Inc. (parent and service corporation); Easter Seals Maine, Inc. (Easter Seals ME); The Harbor Schools Incorporated (Harbor Schools) through August 31, 2018 (see note 15); Manchester Alcoholism Rehabilitation Center; and Easter Seals Vermont, Inc. (Easter Seals VT). Easter Seals New Hampshire, Inc. is the sole member of each subsidiary. Easter Seals NH is affiliated with Easter Seals, Inc. (the national headquarters for the organization).

Easter Seals NH's purpose is to provide (1) programs and services for people with disabilities and other special needs, (2) assistance to people with disabilities and their families, (3) assistance to communities in identifying and developing needed services for residents, and (4) a climate of acceptance for people with disabilities and other special needs which will enable them to contribute to the well-being of the community. Easter Seals NH operates programs throughout New Hampshire, Maine, and Vermont.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Easter Seals New Hampshire, Inc. and the subsidiaries of which it is the sole member as described in note 1. Significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Easter Seals NH considers all highly liquid securities purchased with an original maturity of 90 days or less to be cash equivalents. Cash equivalents consist of cash, overnight repurchase agreements and money market funds, excluding assets limited as to use.

Easter Seals NH maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed amounts guaranteed by the Federal Deposit Insurance Corporation. Financial instruments which subject Easter Seals to credit risk consist primarily of cash equivalents and investments. Easter Seals NH's investment portfolio consists of diversified investments, which are subject to market risk. Investments that exceeded 10% of investments include the Lord Abbett Short Duration Income A Fund with a balance of \$3,094,539 and \$2,847,749 as of August 31, 2019 and 2018, respectively.

Assets Limited as to Use and Investments

Assets limited as to use consists of cash and cash equivalents, short-term certificates of deposit with original maturities greater than 90 days, but less than one year, and investments. Investments are stated at fair value. Realized gains and losses on investments are computed on a specific identification basis. The changes in net unrealized and realized gains and losses on investments are recorded in other non-operating expenses, gains and losses in the accompanying consolidated statements of activities and changes in net assets. Donated securities are stated at fair value determined at the date of donation.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Beneficial Interest in Trust

Easter Seals NH is the beneficiary of a trust held by others. Easter Seals NH has recorded as an asset the fair value of its interest in the trust and such amount is included in net assets with donor restrictions, based on the underlying donor stipulations. The change in the interest due to fair value change is recorded within other non-operating expenses, gains and losses as activity with donor restrictions.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense as incurred, and expenditures for major renovations are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the underlying assets. Leasehold improvements and the carrying value of equipment financed by capital leases are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

Fixed assets obtained by Easter Seals NH as a result of acquisitions on or after September 1, 2011 are recorded at estimated fair value as of the date of the acquisition in accordance with generally accepted accounting principles guidance for acquisitions by a not-for-profit entity.

Donated property and equipment not subject to donor stipulated conditions is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support or, if significant uncertainties exist, as deferred revenue pending resolution of the uncertainties. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. See also note 8.

Long-Lived Assets

When there is an indication of impairment, management considers whether long-lived assets are impaired by comparing gross future undiscounted cash flows expected to be generated from utilizing the assets to their carrying amounts. If cash flows are not sufficient to recover the carrying amount of the assets, impairment has occurred and the assets are written down to their fair value. Significant estimates and assumptions are required to be made by management in order to evaluate possible impairment.

No long-lived assets were deemed impaired at August 31, 2019 and 2018.

Bond Issuance Costs

Bond issuance costs are being amortized to interest expense using the straight-line method over the repayment period of the related bonds, or the expected time until the next refinancing, whichever is shorter. Interest expense recognized on the amortization of bond issuance costs during 2019 and 2018 was \$6,109. The bond issuance costs are presented as a component of long-term debt on the accompanying consolidated statement of financial position.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Revenue generated from services provided to the public is reported at the estimated net realizable amounts from clients, third-party payors and others based upon approved rates as services are rendered. A significant portion of Easter Seals NH's revenues are derived through arrangements with third-party payors. As such, Easter Seals NH is dependent on these payors in order to carry out its operating activities. There is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in other fees and grants in the year that such amounts become known.

Revenues are recognized as earned, or attributable to the period in which specific terms of the funding agreement are satisfied, and to the extent that expenses have been incurred for the purposes specified by the funding source. Revenue balances in excess of the foregoing amounts are accounted for as deferred revenue until any restrictions are met or allowable expenditures are incurred.

The allowance for doubtful accounts is provided based on an analysis by management of the collectability of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the allowance for doubtful accounts. Accounts are charged against the allowance for doubtful accounts when deemed uncollectible. The bad debt provision in 2019 and 2018 totaled \$1,444,413 and \$1,640,474 respectively, and is recorded against fees and grants from governmental agencies and others and contributions. The decrease in bad debt provision in 2019 is due to a shift in payors for services provided. See also note 6.

Easter Seals NH has agreements with third-party payors that provide for payment at amounts different from its established rates. Payment arrangements include discounted charges and prospectively determined payments. Contractual allowances for program and other accounts receivable at August 31, 2019 and 2018 were \$9,657,800 and \$12,719,900, respectively. The total contractual adjustments provided in 2019 and 2018 totaled \$59,363,700 and \$50,711,300, respectively, and are recorded against fees and grants from governmental agencies and others. The increase in contractual adjustments in 2019 is primarily due to a funding change that took place on January 1, 2019 resulting in the discontinuation of the New Hampshire Health Protection expansion funding (NHHPP). The increase in contractual adjustments in 2018 was primarily due to growth in services provided by Manchester Alcoholism Rehabilitation Center and an increase in services being covered by third-party payors.

Unconditional contributions are recognized when pledged.

Advertising

Easter Seals NH's policy is to expense advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services based mainly on time records and estimates made by Easter Seals NH's management.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Charity Care (Unaudited)

Easter Seals NH has a formal charity care policy under which program fees are subsidized as determined by the Board of Directors. Free and subsidized services are rendered in accordance with decisions made by the Board of Directors and, at established charges, amounted to approximately \$7,348,000 and \$8,642,000 for the years ended August 31, 2019 and 2018, respectively.

Income Taxes

Easter Seals New Hampshire, Inc., Easter Seals ME, Easter Seals VT, Harbor Schools (through the date of its dissolution) and Manchester Alcoholism Rehabilitation Center are exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, with the exception of certain federal taxes applicable to not for profit entities.

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position historically taken on various tax exposure items including unrelated business income or tax status. In accordance with accounting principles generally accepted in the United States of America, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position.

Management has evaluated tax positions taken by Easter Seals New Hampshire, Inc. and its subsidiaries on their respective filed tax returns and concluded that the organizations have maintained their tax-exempt status, do not have any significant unrelated business income, and have taken no uncertain tax positions that require adjustment to or disclosure in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used in accounting for the allowance for doubtful accounts, contractual allowances, workers' compensation liabilities and contingencies.

Derivatives and Hedging Activities

Accounting guidance requires that Easter Seals NH record as an asset or liability the fair value of the interest rate swap agreement described in note 11. Easter Seals NH is exposed to repayment loss equal to the net amounts receivable under the swap agreement (not the notional amount) in the event of nonperformance of the other party to the swap agreement. However, Easter Seals NH does not anticipate nonperformance and does not obtain collateral from the other party.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

As of August 31, 2019 and 2018, Easter Seals NH had recognized a liability of \$2,654,993 and \$1,772,584, respectively, as a result of the interest rate swap agreements discussed in note 11. As a result of changes in the fair value of these derivative financial instruments, Easter Seals NH recognized a decrease in net assets of \$882,409 and an increase of \$869,089 for the years ended August 31, 2019 and 2018, respectively, in the accompanying consolidated statements of activity and changes in net assets.

Increase (Decrease) in Net Assets from Operations

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of services are reported as revenue and expenses that comprise the increase (decrease) in net assets from operations. The primary transactions reported as other non-operating expenses, gains and losses include the adjustment to fair value of interest rate swaps, the change in the fair value of beneficial interest in trust held by others, gains and losses on sales and disposals of fixed assets, the contribution of assets from affiliation (see note 16) and net realized and unrealized gains and losses on investments.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported total net assets.

Recent Accounting Pronouncements

In May 2014, the FASB issued No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which Easter Seals NH expects to be entitled in exchange for those goods and services. ASU 2014-09 will replace most existing revenue recognition guidance when it becomes effective. ASU 2014-09 is effective for Easter Seals NH on September 1, 2019. ASU 2014-09 permits the use of either the retrospective or cumulative effect transition method. Management continues to evaluate the impact that ASU 2014-09 will have on Easter Seals NH's consolidated financial statements. The adoption is not expected to have a material impact on Easter Seals NH's revenue recognition policies.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. Guidance was recently issued that extended the effective date for Easter Seals NH to September 1, 2021, with early adoption permitted. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements, with certain practical expedients available. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, which seeks to clarify ASU 2016-02 with respect to certain aspects of the update and ASU 2018-11, *Leases (Topic 842) – Targeted Improvements*, which provides transition relief on comparative reporting upon adoption of the ASU. Management is currently evaluating the impact of the pending adoption of ASU 2016-02 on Easter Seals NH's consolidated financial statements.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Easter Seals NH implemented ASU 2016-14, as it is effective for Easter Seals NH for the year ended August 31, 2019, and has adjusted the presentation in these consolidated financial statements accordingly. The most significant effects relate to the change in net asset classification from unrestricted, temporarily restricted and permanently restricted to net assets with and without donor restrictions, as well as the addition of liquidity disclosures (see note 4). The ASU has been applied retrospectively to all periods presented, and had no impact on previously reported net assets.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Due to diversity in practice, ASU 2018-08 clarifies the definition of an exchange transaction as well as the criteria for evaluating whether contributions are unconditional or conditional. ASU 2018-08 is effective for Easter Seals NH on September 1, 2019 as the resource provider and on September 1, 2020 as the resource recipient, with early adoption permitted. Easter Seals NH is currently evaluating the impact that ASU 2018-08 will have on its consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820) – Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The objective of this update is to improve the effectiveness of disclosures in the notes to the financial statements by facilitating clear communication of the information required by generally accepted accounting principles (GAAP) that is most important to users of each entity's financial statements. The amendments in this update modify certain disclosure requirements on fair value measurements in Topic 820, *Fair Value Measurement*. The amendments in this update are effective for Easter Seals NH beginning September 1, 2020. Early adoption is permitted for removal or modifications of disclosures upon issuance of this update and delayed adoption of the additional disclosures until their effective date. The adoption of this ASU is not expected to have a material effect on Easter Seals NH's consolidated financial statements.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated events occurring between the end of Easter Seals NH's fiscal year end and December 9, 2019, the date these consolidated financial statements were available to be issued.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets

The following provides a description of the net asset classifications represented in the Easter Seals NH consolidated statements of financial position:

In accordance with *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), net assets are classified and reported based on the existence or absence of donor-imposed restrictions. Net assets with donor restrictions include contributions and endowment investment earnings subject to donor-imposed restrictions, as well as irrevocable trusts and contributions receivable. Some donor-imposed restrictions are temporary in nature with restrictions that are expected to be met either by actions of Easter Seals NH and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources are to be maintained in perpetuity, the income from which is expendable to support all activities of the organization, or as stipulated by the donor.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as support without donor restrictions in the accompanying consolidated financial statements.

In accordance with UPMIFA, Easter Seals NH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Endowment Net Asset Composition by Type of Fund

The major categories of endowment funds included in net assets with donor restrictions at August 31, 2019 and 2018 are as follows:

	Original Donor Restricted Gift <u>Maintained in Perpetuity</u>	Accumulated Investment <u>Gains</u>	<u>Total</u>
<u>2019</u>			
Other initiatives	\$1,366,235	\$81,468	\$1,447,703
Operations	<u>3,622,108</u>	<u>-</u>	<u>3,622,108</u>
Total endowment net assets	<u>\$4,988,343</u>	<u>\$81,468</u>	<u>\$5,069,811</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

	<u>Original Donor Restricted Gift Maintained in Perpetuity</u>	<u>Accumulated Investment Gains</u>	<u>Total</u>
<u>2018</u>			
Other initiatives	\$1,298,621	\$65,826	\$1,364,447
Operations	<u>3,587,059</u>	<u>—</u>	<u>3,587,059</u>
Total endowment net assets	<u>\$4,885,680</u>	<u>\$65,826</u>	<u>\$4,951,506</u>

Changes in Endowment Net Assets

During the years ended August 31, 2019 and 2018, Easter Seals NH had the following endowment-related activities:

Net endowment assets, August 31, 2017	\$4,847,633
Investment return:	
Investment income, net of fees	75,165
Net appreciation (realized and unrealized), net	25,632
Contributions	94,684
Appropriated for expenditure	<u>(91,608)</u>
Net endowment assets, August 31, 2018	4,951,506
Investment return:	
Investment income, net of fees	15,815
Net appreciation (realized and unrealized), net	24,356
Contributions	102,663
Appropriated for expenditure	<u>(24,529)</u>
Net endowment assets, August 31, 2019	<u>\$5,069,811</u>

Net assets were released from donor restrictions as follows for the year ended August 31:

	<u>2019</u>	<u>2018</u>
Satisfaction of donor restrictions	\$1,990,555	\$3,065,416
Release of appropriated endowment funds	<u>24,529</u>	<u>91,608</u>
	<u>\$2,015,084</u>	<u>\$3,157,024</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

In addition to endowment net assets, Easter Seals NH also maintains non-endowed funds. The major categories of non-endowment funds, at August 31, 2019 and 2018 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Non- Endowment Net Assets</u>
<u>2019</u>			
Other initiatives	\$ 2,495,506	\$ 388,205	\$ 2,883,711
Operations	<u>19,549,950</u>	<u>625,027</u>	<u>20,174,977</u>
Total non-endowment net assets	<u>\$22,045,456</u>	<u>\$1,013,232</u>	<u>\$23,058,688</u>
<u>2018</u>			
Other initiatives	\$ 1,097,111	\$ 1,421,217	\$ 2,518,328
Operations	<u>18,187,483</u>	<u>960,338</u>	<u>19,147,821</u>
Total non-endowment net assets	<u>\$19,284,594</u>	<u>\$2,381,555</u>	<u>\$21,666,149</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires Easter Seals NH to retain as a fund of permanent duration. Deficiencies of this nature are reported in net assets with donor restrictions. There were no deficiencies between the fair value of the investments of the endowment funds and the level required by donor stipulation at August 31, 2019 or 2018.

Net assets with donor restrictions

Net assets with donor restrictions are available for the following purposes at August 31:

	<u>2019</u>	<u>2018</u>
Purpose restriction:		
Other initiatives	\$ 388,205	\$ 1,421,217
Operations	<u>455,482</u>	<u>772,086</u>
	843,687	2,193,303
Perpetual in nature:		
Original donor restricted gift amount and amounts required to be maintained by donor	5,059,193	4,970,964
Investments, gains and income from which is donor restricted	81,468	65,826
Beneficial interest in perpetual trust	<u>98,695</u>	<u>102,968</u>
	<u>5,239,356</u>	<u>5,139,758</u>
Total net assets with donor restrictions	<u>\$6,083,043</u>	<u>\$7,333,061</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

Net assets with donor restrictions are managed in accordance with donor intent and are invested in various portfolios.

Investment and Spending Policies

Easter Seals NH has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Easter Seals NH must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of an appropriate market index while assuming a moderate level of investment risk. Easter Seals NH expects its endowment funds to provide an average rate of return over a five year period equal to the rate of 2% over the inflation rate. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, Easter Seals NH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Easter Seals NH targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Easter Seals NH may appropriate for distribution some or all of the earnings and appreciation on its endowment for funding of operations. In establishing this policy, Easter Seals NH considered the objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to, so long as it would not detract from Easter Seals NH's critical goals and initiatives, provide additional real growth through new gifts and investment return.

4. Liquidity and Availability

Financial assets available for general expenditure, such as for operating expenses, and that are without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date (August 31, 2019), comprise the following:

Cash and cash equivalents	\$ 3,341,755
Short-term investments, at fair value	3,094,539
Program and other accounts receivable, net	11,408,200
Contributions receivable, net	<u>499,216</u>
	18,343,710
Investments, at fair value	<u>12,793,877</u>
	31,137,587
Less: net assets with donor restrictions	<u>6,083,043</u>
	<u>\$25,054,544</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

4. Liquidity and Availability (Continued)

To manage liquidity, Easter Seals NH maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to Easter Seals NH. In addition, Easter Seals NH has board-designated assets without donor restrictions that can be utilized at the discretion of management to help fund both operational needs and/or capital projects. As of August 31, 2019, the balance in board-designated assets was \$5,755,000.

The management of Easter Seals NH has implemented a practice to establish cash reserves on hand. As of August 31, 2019 and 2018, approximately \$2,661,000 and \$2,277,000, respectively, of cash and cash equivalents, and approximately \$3,094,000 and \$3,003,000, respectively, of investments were on-hand under this practice. Because such funds are available and may be used in current operations, they have been classified as current in the accompanying consolidated statements of financial position.

5. Contributions Receivable

Contributions receivable from donors as of August 31, 2019 and 2018 are \$540,447 and \$599,597, respectively, net of an allowance for doubtful accounts of \$63,400 and \$66,600, respectively. The long-term portion of contributions receivable are recorded in other assets in the accompanying consolidated statements of financial position. Gross contributions are due as follows at August 31, 2019:

2020	\$562,116
2021	31,500
2022	4,500
2023	1,731
2024	1,000
Thereafter	<u>3,000</u>
	<u>\$603,847</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

6. Manchester Alcoholism Rehabilitation Center Revenues

Revenues related to providing health services are recorded net of contractual adjustments, discounts and any provision for bad debts. Substantially all such adjustments in 2019 and 2018 are related to Manchester Alcoholism Rehabilitation Center. An estimated breakdown of Manchester Alcoholism Rehabilitation Center's revenue, net of contractual adjustments, discounts and provision for bad debts recorded in fees and grants from governmental agencies and others recognized in 2019 and 2018 from major payor sources, is as follows:

	<u>Gross Revenues</u>	<u>Contractual Adjustments and Discounts</u>	<u>Provision for Bad Debts</u>	<u>Revenues, net</u>
<u>2019</u>				
Private payors (includes coinsurance and deductibles)	\$18,733,885	\$(12,639,111)	\$ (737,393)	\$ 5,357,381
Medicaid	52,661,814	(43,942,859)	(237,497)	8,481,458
Medicare	65,163	(6,250)	(19,303)	39,610
Self-pay	<u>366,436</u>	<u>(262,987)</u>	<u>(26,020)</u>	<u>77,429</u>
	<u>\$71,827,298</u>	<u>\$(56,851,207)</u>	<u>\$(1,020,213)</u>	<u>\$13,955,878</u>
<u>2018</u>				
Private payors (includes coinsurance and deductibles)	\$33,571,171	\$(20,973,855)	\$ (1,057,046)	\$11,540,270
Medicaid	31,615,594	(27,988,142)	(148,056)	3,479,396
Medicare	85,060	(8,159)	-	76,901
Self-pay	<u>275,991</u>	<u>(168,460)</u>	<u>(85,872)</u>	<u>21,659</u>
	<u>\$65,547,816</u>	<u>\$(49,138,616)</u>	<u>\$(1,290,974)</u>	<u>\$15,118,226</u>

7. Leases

Operating

Easter Seals NH leases certain assets under various arrangements which have been classified as operating leases. Total expense under all leases (including month-to-month leases) was approximately \$1,164,000 and \$1,016,000 for the years ended August 31, 2019 and 2018, respectively. Some of these leases have terms which include renewal options, and others may be terminated at Easter Seals NH's option without substantial penalty. Future minimum payments required under the leases in effect at August 31, 2019, through the remaining contractual term of the underlying lease agreements, are as follows:

2020	\$824,691
2021	527,374
2022	432,041
2023	217,498
2024	121,937
Thereafter	4,153

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

7. Leases (Continued)

Capital

In 2015, Easter Seals NH entered into a three year lease agreement with a bank for certain computer equipment. This lease ended in 2018. Payments made under this agreement for the year ended August 31, 2018 was \$20,995. The assets were fully amortized as of August 31, 2018. Amortization expense related to the above capital lease was a component of depreciation expense in the accompanying consolidated statements of functional expenses. Interest expense recognized on the capital lease in 2018 was insignificant.

8. Fixed Assets

Fixed assets consist of the following at August 31:

	<u>2019</u>	<u>2018</u>
Buildings	\$ 31,857,044	\$ 30,906,387
Land and land improvements	4,248,474	3,331,184
Leasehold improvements	130,368	140,442
Office equipment and furniture	10,288,273	9,380,281
Vehicles	2,543,706	2,641,876
Construction in progress	<u>17,738</u>	<u>177,686</u>
	49,085,603	46,577,856
Less accumulated depreciation and amortization	<u>(19,700,961)</u>	<u>(17,782,070)</u>
	<u>\$ 29,384,642</u>	<u>\$ 28,795,786</u>

Depreciation and amortization expense related to fixed assets totaled \$1,878,249 and \$1,789,064 in 2019 and 2018, respectively.

During 2012, Easter Seals NH received a donated building with an estimated fair value of approximately \$1,100,000. Under the terms of the donation, for a period of six years, Easter Seals NH was required to continue to use the building as a child care center. Had Easter Seals NH ceased to operate the program, or sold or donated the property, Easter Seals NH would have had to provide the donor with the opportunity to purchase the property for \$1. The contribution representing the fair value of the building was recorded as deferred revenue until December 2017 when the terms of the donation were met and Easter Seals NH recognized the remaining balance of \$937,292 in unrestricted contributions in 2018.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

9. Investments and Assets Limited as to Use

Investments and assets limited as to use, at fair value, are as follows at August 31:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 819,529	\$ 1,200,834
Marketable equity securities	1,663,432	1,716,059
Mutual funds	14,367,258	14,084,488
Corporate and foreign bonds	574,444	873,487
Government and agency securities	<u>675,257</u>	<u>460,528</u>
	18,099,920	18,335,396
Less: assets limited as to use	<u>(2,211,504)</u>	<u>(2,555,250)</u>
Total investments, at fair value	<u>\$15,888,416</u>	<u>\$15,780,146</u>

The composition of assets limited as to use at August 31, 2019 and 2018 is set forth in the table shown below at fair value. The portion of assets limited as to use that is required for obligations classified as current liabilities is reported in current assets.

	<u>2019</u>	<u>2018</u>
Under a deferred compensation plan (see note 10):		
Investments	\$1,807,587	\$1,660,727
Maintained in escrow to make required payments on revenue bonds (see note 11):		
Cash and cash equivalents	<u>403,917</u>	<u>894,523</u>
Total assets limited as to use	<u>\$2,211,504</u>	<u>\$2,555,250</u>

10. Retirement Plans

Easter Seals NH maintains a Section 403(b) Plan (a defined contribution retirement plan), which covers substantially all employees. Eligible employees may contribute any whole percentage of their annual salary. Easter Seals NH makes a matching contribution for eligible employees equal to 100% of the participants' elective deferrals limited to 2% of the participants' allowable compensation each pay period. The combined amount of employer and employee contributions is subject by law to annual maximum amounts. The employer match was approximately \$515,000 and \$579,000 for the years ended August 31, 2019 and 2018, respectively.

Easter Seals New Hampshire, Inc. offers, to certain management personnel, the option to participate in an Internal Revenue Code Section 457 Deferred Compensation Plan to which the organization may make a discretionary contribution. The employees' accounts are not available until termination, retirement, death or an unforeseeable emergency. Easter Seals New Hampshire, Inc. contributed approximately \$108,000 and \$99,500 to this plan during the years ended August 31, 2019 and 2018, respectively. The assets and liabilities associated with this plan were \$1,807,587 and \$1,660,727 at August 31, 2019 and 2018, respectively, and are included within assets limited as to use and other liabilities in the accompanying consolidated statements of financial position.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings

Borrowings consist of the following at August 31:

	<u>2019</u>	<u>2018</u>
Revenue Bonds, Series 2016A, tax exempt, issued through the New Hampshire Health and Education Facilities Authority (NHHEFA), with an annual LIBOR-based variable rate equal to the sum of (a) 0.6501 times one-month LIBOR, plus (b) 0.6501 times 2.45% (3.04% at August 31, 2019), due in annual principal payments increasing from \$40,417 to \$62,917 with a final payment of \$6,875,413 due in May 2027; secured by a pledge of all gross revenues and negative pledge of cash, investments and real estate.	\$11,724,996	\$12,226,664
Revenue Bonds, Series 2016B, tax exempt, issued through NHHEFA, with a fixed rate at 3.47%, annual principal payments continually increasing from \$15,810 to \$21,180 with a final payment of \$5,404,249 due in May 2027, secured by a pledge of all gross revenues and negative pledge of cash, investments and real estate.	7,141,109	7,724,289
Various notes payable to a bank with fixed interest rate of 2.24%, various principal and interest payments ranging from \$113 to \$1,069 payable monthly through dates ranging from September 2019 through June 2024, secured by vehicles with a net book value of \$325,812 at August 31, 2019.	292,309	179,929
Mortgage note payable to a bank with a fixed rate of 3.25%. Principal and interest of \$12,200 payable monthly, due in February 2030, secured by an interest in certain property with a net book value of \$4,877,003 at August 31, 2019.	2,213,156	2,285,333
Note payable (through affiliation described in note 16) to the City of Rochester, New Hampshire, payable in annual payments of \$16,408, including interest at 3.35% and net of \$7,290 of principal and interest loan funding grant, through July 1, 2027, secured by an interest in certain property with a net book value of \$947,249 at August 31, 2019.	<u>113,490</u>	<u>-</u>
	21,485,060	22,416,215
Less current portion	1,243,661	1,241,671
Less net unamortized bond issuance costs	<u>118,836</u>	<u>124,946</u>
	<u>\$20,122,563</u>	<u>\$21,049,598</u>

Principal payments on long-term debt for each of the following years ending August 31 are as follows:

2020	\$ 1,243,661
2021	938,993
2022	935,503
2023	974,536
2024	987,957
Thereafter	<u>16,404,410</u>
	<u>\$21,485,060</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Lines of Credit and Other Financing Arrangements

Easter Seals New Hampshire, Inc. had an agreement with a bank for a \$500,000 nonrevolving equipment line of credit. The line of credit was used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals New Hampshire through April 2, 2014. The interest rate charged on outstanding borrowings was at a fixed rate at the then prime rate minus 0.75% for maturities up to a five-year term. Upon maturity of this agreement, the balances outstanding under the note payable at August 31, 2014 were converted to various term notes secured by vehicles, as described above. All outstanding balances were paid off in 2019. Amounts outstanding included in long-term debt at August 31, 2018 were three notes payable totaling \$7,185.

Easter Seals New Hampshire, Inc. also has an agreement with a bank for a \$500,000 revolving equipment line, which can be used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals New Hampshire on demand. Advances are converted to term notes as utilized. The interest rate charged on outstanding borrowings is at a fixed rate equal to the then Business Vehicle Rate at the time of the advance for maturities up to a five year term. Included in long-term debt are twenty-three notes payable totaling \$292,309 and twenty-four notes payable totaling \$172,744 at August 31, 2019 and 2018, respectively that originated under this agreement. Availability under this agreement at August 31, 2019 and 2018 is \$207,691 and \$327,256, respectively.

On August 31, 2015, Easter Seals New Hampshire, Inc. entered into a revolving line of credit with a bank. On February 26, 2019, an amendment changed the borrowing availability from \$4 million to \$7 million (a portion of which is secured by available letters of credit of \$38,000). Outstanding advances are due on demand. The interest rate charged on outstanding borrowings was amended in May 2018 to LIBOR rounded up to the nearest one-eighth of one percent plus 1.90% (4.03% at August 31, 2019). Under an event of default, the interest rate will increase from LIBOR plus 1.90% to LIBOR plus 5.25%. The line is secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc. with guarantees from Easter Seals Vermont, Inc. and Manchester Alcoholism Rehabilitation Center. The agreement requires that collective borrowings under the line of credit be reduced to \$1,000,000 for 30 consecutive days during each calendar year. There were no amounts outstanding under this revolving line of credit agreement at August 31, 2019, and \$610,319 was outstanding at August 31, 2018.

NHHEFA 2016A and 2016B Revenue Bonds

On December 20, 2016, Easter Seals New Hampshire, Inc. issued \$13,015,000 in Series 2016A Tax Exempt Revenue Bonds. These bonds were used to refinance the Series 2004A Revenue Bonds.

Also, on December 20, 2016, Easter Seals New Hampshire, Inc. issued \$9,175,000 in Series 2016B Tax Exempt Revenue Bonds. The bonds were issued to refinance an existing mortgage and to obtain funds for certain planned capital projects.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Mortgage Notes Payable

On February 18, 2015, Easter Seals New Hampshire, Inc. and Manchester Alcoholism Rehabilitation Center entered into a \$2,480,000 mortgage note payable to finance the acquisition of certain property located in Franklin, New Hampshire. The initial interest rate charged is fixed at 3.25%. Monthly principal and interest payments are \$12,200, and all remaining outstanding principal and interest is due on February 18, 2030. The note is secured by the property.

Notes Payable

The Homemakers Health Services, Inc. (the Organization), see note 16, and the City of Rochester, New Hampshire obtained grants and other funding commitments to fund the costs associated with the design and construction of an extension of the City of Rochester, New Hampshire's public sewer mains to service the Organization's property in Rochester, New Hampshire. The costs associated with the extension of the sewer main were \$523,298, which was funded by grants of \$181,925 and a promissory note, payable to the City of Rochester, New Hampshire of \$341,373. The promissory note bears interest at 3.35% per annum. In addition, the City of Rochester, New Hampshire was approved for a loan funding grant in the amount of \$145,798, which consisted of the loan principal funding of \$105,018 and the loan interest funding of \$40,780. The Organization recorded a net principal promissory note payable of \$236,355 with an issue date of July 1, 2017. Effective September 1, 2018, Easter Seals NH has assumed responsibility of this agreement. See note 16.

Interest Rate Swap Agreement

Easter Seals New Hampshire, Inc. has an interest rate swap agreement with a bank in connection with the Series 2004A NHHEFA Revenue Bonds. On December 1, 2016, an amendment to this agreement was executed in anticipation of the refinancing of the 2004A revenue bonds to change the interest rate charged from 3.54% to 3.62% and the floating rate from LIBOR times 0.67 to LIBOR times 0.6501. The swap agreement had an outstanding notional amount of \$11,724,996 and \$12,226,664 at August 31, 2019 and 2018, respectively, which reduces in conjunction with principal reductions until the agreement is terminated in November 2034.

The fair value of the above interest rate swap agreement totaled \$2,654,993 and \$1,772,584 at August 31, 2019 and 2018, respectively, \$295,305 and \$244,261 of which was current at August 31, 2019 and 2018, respectively. During the years ended August 31, 2019 and 2018, net payments required by the agreement totaled \$250,321 and \$323,938, respectively. These payments have been included in interest expense within the accompanying consolidated statements of activities and changes in net assets. See note 14 with respect to fair value determinations.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Debt Covenants

In connection with the bonds, lines of credit and various other notes payable described above, Easter Seals New Hampshire, Inc. is required to comply with certain financial covenants including, but not limited to, minimum liquidity and debt service coverage ratios. At August 31, 2019, Easter Seals New Hampshire, Inc. was in compliance with restrictive covenants specified under the NHHEFA bonds and other debt obligations.

12. Donated Services

A number of volunteers have donated their time in connection with Easter Seals NH's program services and fundraising campaigns. However, no amounts have been reflected in the accompanying consolidated financial statements for such donated services, as no objective basis is available to measure the value.

13. Related Party Transactions

Easter Seals NH is a member of Easter Seals, Inc. Membership fees to Easter Seals, Inc. were \$103,125 and \$39,036 for the years ended August 31, 2019 and 2018, respectively, and are reflected as support of National programs on the accompanying consolidated statements of activities and changes in net assets.

14. Fair Value of Financial Instruments

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at their measurement date. In determining fair value, Easter Seals NH uses various methods including market, income and cost approaches, and utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in factors used in the valuation. These factors may be readily observable, market corroborated, or generally unobservable. Easter Seals NH utilizes valuation techniques that maximize the use of observable factors and minimizes the use of unobservable factors.

Certain of Easter Seals NH's financial instruments are reported at fair value, which include beneficial interest held in trust, investments and the interest rate swap, and are classified by levels that rank the quality and reliability of the information used to determine fair value:

Level 1 – Valuations for financial instruments traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical instruments.

Level 2 – Valuations for financial instruments traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar instruments.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

Level 3 – Valuations for financial instruments derived from other methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining fair value.

The following describes the valuation methodologies used to measure financial assets and liabilities at fair value. The levels relate to valuation only and do not necessarily indicate a measure of investment risk. There have been no changes in the methodologies used by Easter Seals NH at August 31, 2019 and 2018.

Investments and Assets Limited as to Use

Cash and cash equivalents are deemed to be Level 1. The fair values of marketable equity securities, and mutual funds that are based upon quoted prices in active markets for identical assets are reflected as Level 1. Investments in certain government and agency securities and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Beneficial Interest in Trust Held by Others

The beneficial interest in trust held by others has been assigned fair value levels based on the fair value levels of the underlying investments within the trust. The fair values of marketable equity securities, money market and mutual funds are based upon quoted prices in active markets for identical assets and are reflected as Level 1. Investments in marketable equity securities and mutual funds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Interest Rate Swap Agreement

The fair value for the interest rate swap liability is included in Level 3 and is estimated by the counterparty using industry standard valuation models. These models project future cash flows and discount the future amounts to present value using market-based observable inputs, including interest rates.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

At August 31, 2019 and 2018, Easter Seals NH's assets and liabilities measured at fair value on a recurring basis were classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2019				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 819,529	\$ —	\$ —	\$ 819,529
Marketable equity securities:				
Large-cap	1,176,478	—	—	1,176,478
International	486,954	—	—	486,954
Mutual funds, open-ended:				
Short-term fixed income	4,519,233	—	—	4,519,233
Intermediate-term bond fund	1,390,096	—	—	1,390,096
High yield bond fund	93,530	—	—	93,530
Foreign bond	34,567	—	—	34,567
Government securities	386,222	—	—	386,222
Emerging markets bond	138,203	—	—	138,203
International equities	1,093,081	—	—	1,093,081
Domestic, large-cap	1,042,116	—	—	1,042,116
Domestic, small-cap	159,064	—	—	159,064
Domestic, multi alt	724,756	—	—	724,756
Real estate fund	194,694	—	—	194,694
Mutual funds, closed-ended:				
Domestic, large-cap	3,636,935	—	—	3,636,935
Domestic, mid-cap	493,194	—	—	493,194
Domestic, small-cap	461,567	—	—	461,567
Corporate and foreign bonds	—	574,444	—	574,444
Government and agency securities	—	675,257	—	675,257
	<u>\$16,850,219</u>	<u>\$1,249,701</u>	<u>\$ —</u>	<u>\$18,099,920</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 6,300	\$ —	\$ —	\$ 6,300
Marketable equity securities:				
Large-cap	70,450	—	—	70,450
Mutual funds:				
Domestic fixed income	—	21,945	—	21,945
	<u>\$ 76,750</u>	<u>\$ 21,945</u>	<u>\$ —</u>	<u>\$ 98,695</u>
Liabilities:				
Interest rate swap agreement	<u>\$ —</u>	<u>\$ —</u>	<u>\$2,654,993</u>	<u>\$ 2,654,993</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2018</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 1,200,834	\$ -	\$ -	\$ 1,200,834
Marketable equity securities:				
Large-cap	1,182,262	-	-	1,182,262
International	533,797	-	-	533,797
Mutual funds, open-ended:				
Short-term fixed income	4,387,471	-	-	4,387,471
Intermediate-term bond fund	1,037,110	-	-	1,037,110
High yield bond fund	81,169	-	-	81,169
Foreign bond	30,620	-	-	30,620
Government securities	377,563	-	-	377,563
Emerging markets bond	56,094	-	-	56,094
International equities	1,091,145	-	-	1,091,145
Domestic, large-cap	1,113,968	-	-	1,113,968
Domestic, small-cap	269,615	-	-	269,615
Domestic, multi alt	736,276	-	-	736,276
Real estate fund	197,057	-	-	197,057
Mutual funds, closed-ended:				
Domestic, large-cap	3,172,644	-	-	3,172,644
Domestic, mid-cap	588,528	-	-	588,528
Domestic, small-cap	428,019	-	-	428,019
International equity	517,209	-	-	517,209
Corporate and foreign bonds	-	873,487	-	873,487
Government and agency securities	-	460,528	-	460,528
	<u>\$17,001,381</u>	<u>\$1,334,015</u>	<u>\$ -</u>	<u>\$18,335,396</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 7,096	\$ -	\$ -	\$ 7,096
Marketable equity securities:				
Large-cap	71,948	-	-	71,948
Mutual funds:				
Domestic fixed income	-	23,924	-	23,924
	<u>\$ 79,044</u>	<u>\$ 23,924</u>	<u>\$ -</u>	<u>\$ 102,968</u>
Liabilities:				
Interest rate swap agreement	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,772,584</u>	<u>\$ 1,772,584</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

The table below sets forth a summary of changes in the fair value of Easter Seals NH's Level 3 liabilities for the years ended August 31, 2019 and 2018:

	<u>Interest Rate Swap</u>
Ending balance, August 31, 2017	\$(2,641,673)
Unrealized gain, net	<u>869,089</u>
Ending balance, August 31, 2018	(1,772,584)
Unrealized loss, net	<u>(882,409)</u>
Ending balance, August 31, 2019	<u>\$(2,654,993)</u>

15. Discontinued Operations

The accompanying consolidated financial statements include various programs and entities that are reported as discontinued operations. On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary. Effective August 31, 2018 the dissolution of Harbor Schools was finalized.

The management of Easter Seals NH has determined that the closure of each of these programs/entities met the criteria for classification as discontinued operations. The decisions to close the programs/entities were based on performance factors.

There were no remaining balances as of August 31, 2018 for Harbor Schools noted above for purposes of summary statement of financial position presentation. There are no programs or entities that are reported as discontinued operations in 2019. The accompanying 2018 consolidated statement of activities included a loss from discontinued operations of \$568 for Harbor Schools, and losses from various other discontinued operations totaling \$7,712.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

16. Acquisition of The Homemakers Health Services, Inc.

On May 4, 2018, Easter Seals NH entered into a letter of intent to affiliate with The Homemakers Health Services, Inc. (the Organization). On September 1, 2018, Easter Seals NH acquired the Organization for no consideration. The Organization was not controlled by Easter Seals NH prior to this agreement. This affiliation was accounted for in accordance with generally accepted accounting principles guidance on acquisitions by a not-for-profit entity. Upon affiliation, the Organization was dissolved and is a program of Easter Seals NH. The Organization had total net operating revenue of approximately \$289,000 (unaudited) for the two months ended August 31, 2018, and \$2,330,000 for the year ended June 30, 2018. The financial position of the Organization recorded at fair value upon affiliation as of September 1, 2018, was as follows:

Assets:	
Cash and cash equivalents	\$ 119,865
Other current assets	148,613
Fixed assets, net	<u>1,030,882</u>
Total assets	<u>\$1,299,360</u>
Liabilities:	
Accounts payable	\$ 51,250
Accrued expenses and other liabilities	107,746
Debt	<u>125,685</u>
Total liabilities	284,681
Net assets:	
Unrestricted net assets	<u>1,014,679</u>
Total liabilities and net assets	<u>\$1,299,360</u>

OTHER FINANCIAL INFORMATION

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2019

ASSETS

	* New <u>Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Elimin- ations</u>	<u>Total</u>
Current assets:					
Cash and cash equivalents	\$ 3,305,116	\$ 16,962	\$ 19,677	\$ -	\$ 3,341,755
Short-term investments, at fair value	3,094,539	-	-	-	3,094,539
Accounts receivable from affiliates	3,595,504	370,426	-	(3,965,930)	-
Program and other accounts receivable, net	10,118,637	1,192,292	97,271	-	11,408,200
Contributions receivable, net	494,589	1,373	3,254	-	499,216
Current portion of assets limited as to use	403,917	-	-	-	403,917
Prepaid expenses and other current assets	<u>479,159</u>	<u>11,496</u>	<u>31,781</u>	<u>-</u>	<u>522,436</u>
Total current assets	21,491,461	1,592,549	151,983	(3,965,930)	19,270,063
Assets limited as to use, net of current portion	1,783,033	24,554	-	-	1,807,587
Investments, at fair value	12,793,877	-	-	-	12,793,877
Beneficial interest in trust held by others and other assets	139,926	-	-	-	139,926
Fixed assets, net	<u>29,266,492</u>	<u>111,550</u>	<u>6,600</u>	<u>-</u>	<u>29,384,642</u>
	<u>\$65,474,789</u>	<u>\$1,728,653</u>	<u>\$ 158,583</u>	<u>\$(3,965,930)</u>	<u>\$63,396,095</u>

LIABILITIES AND NET ASSETS

	* New <u>Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Elimin- ations</u>	<u>Total</u>
Current liabilities:					
Accounts payable	\$ 2,626,880	\$ 26,036	\$ 2,436	\$ -	\$ 2,655,352
Accrued expenses	6,380,059	8,764	11,329	-	6,400,152
Accounts payable to affiliates	-	-	3,965,930	(3,965,930)	-
Deferred revenue	370,338	6,010	6,940	-	383,288
Current portion of interest rate swap agreements	295,305	-	-	-	295,305
Current portion of long-term debt	<u>1,243,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,243,661</u>
Total current liabilities	10,916,243	40,810	3,986,635	(3,965,930)	10,977,758
Other liabilities	1,783,033	24,554	-	-	1,807,587
Interest rate swap agreements, less current portion	2,359,688	-	-	-	2,359,688
Long-term debt, less current portion, net	<u>20,122,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,122,563</u>
Total liabilities	35,181,527	65,364	3,986,635	(3,965,930)	35,267,596
Net assets (deficit):					
Without donor restrictions	24,240,352	1,631,656	(3,826,552)	-	22,045,456
With donor restrictions	<u>6,052,910</u>	<u>31,633</u>	<u>(1,500)</u>	<u>-</u>	<u>6,083,043</u>
Total net assets (deficit)	<u>30,293,262</u>	<u>1,663,289</u>	<u>(3,828,052)</u>	<u>-</u>	<u>28,128,499</u>
	<u>\$65,474,789</u>	<u>\$1,728,653</u>	<u>\$ 158,583</u>	<u>\$(3,965,930)</u>	<u>\$63,396,095</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2018

ASSETS

	* New Hampshire	Vermont	Maine	Harbor Schools, Inc.	Elimin- ations	Total
Current assets:						
Cash and cash equivalents	\$ 2,327,419	\$ 29,169	\$ 8,920	\$ -	\$ -	\$ 2,365,508
Short-term investments, at fair value	3,002,574	-	-	-	-	3,002,574
Accounts receivable from affiliates	2,335,205	1,450,563	-	-	(3,785,768)	-
Program and other accounts receivable, net	10,427,498	566,808	89,283	-	-	11,083,589
Contributions receivable, net	492,283	1,020	2,654	-	-	495,957
Current portion of assets limited as to use	894,523	-	-	-	-	894,523
Prepaid expenses and other current assets	<u>389,913</u>	<u>13,440</u>	<u>28,427</u>	<u>-</u>	<u>-</u>	<u>431,780</u>
Total current assets	19,869,415	2,061,000	129,284	-	(3,785,768)	18,273,931
Assets limited as to use, net of current portion	1,641,337	19,390	-	-	-	1,660,727
Investments, at fair value	12,777,572	-	-	-	-	12,777,572
Beneficial interest in trust held by others and other assets	206,608	-	-	-	-	206,608
Fixed assets, net	<u>28,725,627</u>	<u>51,923</u>	<u>18,236</u>	<u>-</u>	<u>-</u>	<u>28,795,786</u>
	<u>\$63,220,559</u>	<u>\$2,132,313</u>	<u>\$ 147,520</u>	<u>\$ -</u>	<u>\$(3,785,768)</u>	<u>\$61,714,624</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Harbor Schools, Inc.	Elimin- ations	Total
Current liabilities:						
Line of credit	\$ 610,319	\$ -	\$ -	\$ -	\$ -	\$ 610,319
Accounts payable	2,709,560	12,816	187	-	-	2,722,563
Accrued expenses	5,295,718	8,054	31,085	-	-	5,334,857
Accounts payable to affiliates	-	-	3,785,768	-	(3,785,768)	-
Deferred revenue	685,999	11,540	7,111	-	-	704,650
Current portion of interest rate swap agreements	244,261	-	-	-	-	244,261
Current portion of long-term debt	<u>1,241,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,241,671</u>
Total current liabilities	10,787,528	32,410	3,824,151	-	(3,785,768)	10,858,321
Other liabilities	1,641,337	19,390	-	-	-	1,660,727
Interest rate swap agreements, less current portion	1,528,323	-	-	-	-	1,528,323
Long-term debt, less current portion, net	<u>21,049,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,049,598</u>
Total liabilities	35,006,786	51,800	3,824,151	-	(3,785,768)	35,096,969
Net assets (deficit):						
Without donor restrictions	20,883,776	2,075,949	(3,675,131)	-	-	19,284,594
With donor restrictions	<u>7,329,997</u>	<u>4,564</u>	<u>(1,500)</u>	<u>-</u>	<u>-</u>	<u>7,333,061</u>
Total net assets (deficit)	<u>28,213,773</u>	<u>2,080,513</u>	<u>(3,676,631)</u>	<u>-</u>	<u>-</u>	<u>26,617,655</u>
	<u>\$63,220,559</u>	<u>\$2,132,313</u>	<u>\$ 147,520</u>	<u>\$ -</u>	<u>\$ (3,785,768)</u>	<u>\$61,714,624</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2019

	* New <u>Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Elimin-</u> <u>ations</u>	<u>Total</u>
Public support and revenue:					
Public support:					
Contributions, net	\$ 910,465	\$ 19,996	\$ 66,344	\$ -	\$ 996,805
Special events, net	1,998,632	88,917	2,338	-	2,089,887
Annual campaigns, net	422,964	3,803	7,064	-	433,831
Bequests	<u>391,990</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391,990</u>
Total public support	3,724,051	112,716	75,746	-	3,912,513
Revenue:					
Fees and grants from governmental agencies and others, net	58,874,158	6,854,565	431,856	(140)	66,160,439
Other grants	24,785,404	293,891	297,079	-	25,376,374
Dividend and interest income	622,562	2	-	-	622,564
Rental income	32,170	-	-	-	32,170
Intercompany revenue	796,921	-	-	(796,921)	-
Other	<u>200,793</u>	<u>11,445</u>	<u>-</u>	<u>-</u>	<u>212,238</u>
Total revenue	<u>85,312,008</u>	<u>7,159,903</u>	<u>728,935</u>	<u>(797,061)</u>	<u>92,403,785</u>
Total public support and revenue	89,036,059	7,272,619	804,681	(797,061)	96,316,298
Operating expenses:					
Program services:					
Public health education	243,810	7,280	1,382	-	252,472
Professional education	74,330	-	-	-	74,330
Direct services	<u>76,571,433</u>	<u>6,939,921</u>	<u>761,937</u>	<u>(28,274)</u>	<u>84,245,017</u>
Total program services	76,889,573	6,947,201	763,319	(28,274)	84,571,819

	* New Hampshire	Vermont	Maine	Elimin- ations	Total
Supporting services:					
Management and general	\$ 9,015,278	\$ 705,476	\$ 95,317	\$(768,787)	\$ 9,047,284
Fundraising	<u>791,631</u>	<u>38,366</u>	<u>93,530</u>	<u>-</u>	<u>923,527</u>
Total supporting services	<u>9,806,909</u>	<u>743,842</u>	<u>188,847</u>	<u>(768,787)</u>	<u>9,970,811</u>
Total functional expenses	86,696,482	7,691,043	952,166	(797,061)	94,542,630
Support of National programs	<u>103,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,125</u>
Total operating expenses	<u>86,799,607</u>	<u>7,691,043</u>	<u>952,166</u>	<u>(797,061)</u>	<u>94,645,755</u>
Increase (decrease) in net assets from operations	2,236,452	(418,424)	(147,485)	-	1,670,543
Other non-operating expenses, gains and losses:					
Change in fair value of interest rate swaps	(882,409)	-	-	-	(882,409)
Net unrealized and realized losses on investments, net	(211,272)	-	-	-	(211,272)
Decrease in fair value of beneficial interest in trust held by others	(4,273)	-	-	-	(4,273)
Gain (loss) on sales and disposals of fixed assets	(116,399)	1,200	(3,936)	-	(119,135)
Contribution of assets from affiliation	1,014,679	-	-	-	1,014,679
Other non-operating gains	<u>42,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,711</u>
	<u>(156,963)</u>	<u>1,200</u>	<u>(3,936)</u>	<u>-</u>	<u>(159,699)</u>
Total increase (decrease) in net assets	2,079,489	(417,224)	(151,421)	-	1,510,844
Net assets (deficit) at beginning of year	<u>28,213,773</u>	<u>2,080,513</u>	<u>(3,676,631)</u>	<u>-</u>	<u>26,617,655</u>
Net assets (deficit) at end of year	<u>\$30,293,262</u>	<u>\$1,663,289</u>	<u>\$(3,828,052)</u>	<u>\$-</u>	<u>\$28,128,499</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2018

	* New Hampshire	Vermont	Maine	Harbor Schools, Inc.	Elimin- ations	Total
Public support and revenue:						
Public support:						
Contributions, net	\$ 1,913,486	\$ 28,113	\$ 83,497	\$ -	\$ -	\$ 2,025,096
Special events, net	1,898,837	394	55,087	-	-	1,954,318
Annual campaigns, net	371,433	4,761	5,148	-	-	381,342
Bequests	<u>138,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,000</u>
Total public support	4,321,756	33,268	143,732	-	-	4,498,756
Revenue:						
Fees and grants from governmental agencies and others, net	58,082,135	5,261,341	292,224	-	-	63,635,700
Other grants	21,165,950	1,060,871	246,770	-	-	22,473,591
Dividend and interest income	591,280	2	-	-	-	591,282
Rental income	27,050	-	-	-	-	27,050
Intercompany revenue	741,597	-	-	-	(741,597)	-
Other	<u>110,189</u>	<u>12,475</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>122,688</u>
Total revenue	<u>80,718,201</u>	<u>6,334,689</u>	<u>539,018</u>	<u>-</u>	<u>(741,597)</u>	<u>86,850,311</u>
Total public support and revenue	85,039,957	6,367,957	682,750	-	(741,597)	91,349,067
Operating expenses:						
Program services:						
Public health education	246,678	7,099	1,119	-	-	254,896
Professional education	23,007	-	-	-	-	23,007
Direct services	<u>72,888,726</u>	<u>6,001,327</u>	<u>761,733</u>	<u>-</u>	<u>(32,934)</u>	<u>79,618,852</u>
Total program services	73,158,411	6,008,426	762,852	-	(32,934)	79,896,755

	* New Hampshire	Vermont	Maine	Harbor Schools, Inc.	Elimin- ations	Total
Supporting services:						
Management and general	\$ 8,536,262	\$ 614,425	\$ 124,821	\$ -	\$ (708,663)	\$ 8,566,845
Fundraising	<u>869,629</u>	<u>73,295</u>	<u>199,153</u>	<u>-</u>	<u>-</u>	<u>1,142,077</u>
Total supporting services	<u>9,405,891</u>	<u>687,720</u>	<u>323,974</u>	<u>-</u>	<u>(708,663)</u>	<u>9,708,922</u>
Total functional expenses	82,564,302	6,696,146	1,086,826	-	(741,597)	89,605,677
Support of National programs	<u>39,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,036</u>
Total operating expenses	<u>82,603,338</u>	<u>6,696,146</u>	<u>1,086,826</u>	<u>-</u>	<u>(741,597)</u>	<u>89,644,713</u>
Increase (decrease) in net assets from operations	2,436,619	(328,189)	(404,076)	-	-	1,704,354
Other non-operating expenses, gains and losses:						
Change in fair value of interest rate swaps	869,089	-	-	-	-	869,089
Net unrealized and realized gains on investments, net	553,415	-	-	-	-	553,415
Increase in fair value of beneficial interest in trust held by others	7,606	-	-	-	-	7,606
Loss on sales and disposals of fixed assets	(9,100)	-	-	-	-	(9,100)
Other non-operating expenses	<u>(32,462)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,462)</u>
	1,388,548	-	-	-	-	1,388,548
Loss from discontinued operations	<u>-</u>	<u>-</u>	<u>(7,712)</u>	<u>(568)</u>	<u>-</u>	<u>(8,280)</u>
Increase (decrease) in net assets before effects of dissolution of an affiliate	3,825,167	(328,189)	(411,788)	(568)	-	3,084,622
Dissolution of an affiliate	<u>201,218</u>	<u>-</u>	<u>-</u>	<u>(201,218)</u>	<u>-</u>	<u>-</u>
Total increase (decrease) in net assets	4,026,385	(328,189)	(411,788)	(201,786)	-	3,084,622
Net assets (deficit) at beginning of year	<u>24,187,388</u>	<u>2,408,702</u>	<u>(3,264,843)</u>	<u>201,786</u>	<u>-</u>	<u>23,533,033</u>
Net assets (deficit) at end of year	<u>\$28,213,773</u>	<u>\$2,080,513</u>	<u>\$ (3,676,631)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$26,617,655</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2019

	* New Hampshire	Vermont	Maine	Elimin- ations	Total
Salaries and related expenses	\$65,435,133	\$6,093,712	\$586,402	\$ -	\$72,115,247
Professional fees	8,882,815	787,372	121,247	(796,920)	8,994,514
Supplies	2,408,019	44,005	3,604	-	2,455,628
Telephone	577,341	53,983	12,661	-	643,985
Postage and shipping	52,613	1,911	629	-	55,153
Occupancy	2,537,013	250,741	66,275	-	2,854,029
Outside printing, artwork and media	47,553	1,070	3,113	-	51,736
Travel	2,012,248	327,336	27,841	-	2,367,425
Conventions and meetings	307,951	30,527	1,689	-	340,167
Specific assistance to individuals	984,177	33,265	116,504	(141)	1,133,805
Dues and subscriptions	46,477	-	640	-	47,117
Minor equipment purchases and equipment rental	325,296	11,437	844	-	337,577
Ads, fees and miscellaneous	215,496	18,051	1,277	-	234,824
Interest	998,992	-	-	-	998,992
Depreciation and amortization	1,833,006	37,542	7,701	-	1,878,249
Miscellaneous business tax	<u>32,352</u>	<u>91</u>	<u>1,739</u>	<u>-</u>	<u>34,182</u>
	<u>\$86,696,482</u>	<u>\$7,691,043</u>	<u>\$952,166</u>	<u>\$(797,061)</u>	<u>\$94,542,630</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2018

	* New <u>Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	Harbor Schools, <u>Inc.</u>	<u>Elimin-</u> <u>ations</u>	<u>Total</u>
Salaries and related expenses	\$61,838,983	\$5,345,519	\$ 723,908	\$ -	\$ -	\$67,908,410
Professional fees	8,697,979	669,966	170,708	-	(741,597)	8,797,056
Supplies	2,372,988	33,136	11,759	-	-	2,417,883
Telephone	575,097	35,251	16,084	-	-	626,432
Postage and shipping	52,292	1,689	792	-	-	54,773
Occupancy	2,297,757	170,645	63,386	-	-	2,531,788
Outside printing, artwork and media	42,146	4,051	4,497	-	-	50,694
Travel	2,061,630	306,760	24,173	-	-	2,392,563
Conventions and meetings	239,712	15,397	3,568	-	-	258,677
Specific assistance to individuals	1,053,536	41,070	35,587	-	-	1,130,193
Dues and subscriptions	64,350	-	1,138	-	-	65,488
Minor equipment purchases and equipment rental	348,425	14,929	1,492	-	-	364,846
Ads, fees and miscellaneous	146,008	22,997	24,183	-	-	193,188
Interest	1,024,622	-	-	-	-	1,024,622
Depreciation and amortization	<u>1,748,777</u>	<u>34,736</u>	<u>5,551</u>	<u>-</u>	<u>-</u>	<u>1,789,064</u>
	<u>\$82,564,302</u>	<u>\$6,696,146</u>	<u>\$1,086,826</u>	<u>\$ -</u>	<u>\$(741,597)</u>	<u>\$89,605,677</u>

* Includes Manchester Alcoholism Rehabilitation Center.



2020 Board of Directors

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Thomas Sullivan

Vice Chairman

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Treasurer

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Assistant Secretary

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Tracey Pelton

Richard Rawlings

Linda Roth

Mark Sandler

Rob Wiczorek

Christine Williams

Elin Treanor
Concord, New Hampshire 03301

CAREER SUMMARY:

Leadership, management and teamwork involving all business related functions and administration. Major emphasis on providing high quality and cost effective services to customers.

SKILLS & EXPERIENCE:

- Accounting, financial reporting, budgeting, internal controls, auditing, cost reporting, variance analysis, accounts payable, purchasing and payroll
- Cash management, investments, borrowing, banking relationships
- Billing, receivables, collections, funding sources, third party reimbursement
- Insurances, contracts, grants, legal issues
- Policies and procedures development, problem solving
- Financial training and consultation
- Strategic and business planning
- Liaison with Board of Directors and Committees

WORK HISTORY:

- | | |
|----------------|--|
| 1994 – Present | Easter Seals New Hampshire, Inc., Manchester, NH
<u>Senior Vice President & Chief Financial Officer</u>
Oversee fiscal management for 100 million-dollar budget size, multi-corporate, multi-state entity. Also, responsible for reception, maintenance, customer service functions. |
| 1988 – 1994 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Vice President of Finance</u>
Responsible for finance functions and information systems agency wide. Instrumental in major financial turnaround from \$600,000 deficit in 1988 to \$100,000 surplus in 1989 and surpluses every year thereafter. |
| 1984 – 1988 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Controller</u>
Promoted to position with added responsibilities of managing billing function and staff. Converted financial applications to integrated automated systems. Involved in corporate reorganizations to multiple entities and external corporate mergers and acquisitions. |

Elin Treanor
work history cont'd

- 1982 – 1984 Easter Seal Society of NH, Inc., Manchester, NH
Chief Accountant
Promoted to supervisory position to manage accounting, payroll, payables, purchasing. Revised budget process, audit work, procedures and monitoring systems.
- 1981 – 1982 Easter Seal Society of NH, Inc., Manchester, NH
Accountant
Promoted to take charge of general ledger, reconciliations and financial reporting. Established chart of accounts, fund accounting system and internal controls.
- 1980 – 1981 Easter Seal Society of NH, Inc., Manchester, NH
Internal Auditor
Handled accounts payable, cash flow, grant billing and review of general ledger accounts.
- 1974 – 1980 Marshalls, Peabody, MA
Senior Clerk
Worked as cashier, customer service representative and bookkeeper, while attending college.

EDUCATION:

- 1989 New Hampshire College, Hooksett, NH
Masters in Business Administration
- 1980 Bentley College, Waltham, MA
Bachelor of Science, Accounting Major
- 1977 North Shore Community College, Beverly, MA
Associates Degree, Accounting Major

JOSEPH T. EMMONS

Easterseals NH ♦ 555 Auburn Street ♦ Manchester, NH 03103 ♦ (603) 621.3570 ♦ jtemmons@eastersealsnh.org

WORK EXPERIENCE

Easterseals NH

Sr. Vice President of Development

Sept. 2017 - present

Manage day to day operations of Easterseals Development and Communications office (14 person staff in NH, ME and VT)

- Analyze information compiled by Development Coordinators and Managers regarding current donors and prospects to identify major gift prospects and extend the number of targeted prospects by making personal visits.
- Assist other staff and volunteers in developing strategy and contacts for those donors and prospects for which others may have a primary contact.
- Work with the Accounting Department to develop a comprehensive gift policy and procedure guideline.
- Work with Board to enhance relationships and create greater fundraising and outreach possibilities.
- Hiring and supervision of grant, development and events staff.
- Develop and manage budgets relating to special events and grants as well as oversee cash management at the events.
- Develop long-term strategies for cultivation of new donors.
- Assist in strategic departmental planning in conjunction with the Vice President of Development and the development staff.
- Plan, implement, promote and evaluate assigned public relations, events or activities and other fundraising vehicles conducted by and for the Agency.
- Manage all aspects of special events, including recruitment, retention, and logistics.
- Organize, coordinate and supervise volunteers at special events.
- Oversee database manager who is responsible for the creation and management of potential participants and companies for events and provide reports as required.
- Work with and coordinate the activities of the National and Regional Corporate Sponsors to maintain a friendly and cooperative relationship, acquaint them with Easterseals' programs and services and advise and assist them in their fundraising activities.

Senior Director of Development

Nov. 2014 – Sept. 2017

Manage day-to-day operations of annual giving (4 staff members) and advancement services (6 staff members) for Saint Anselm College.

- Work with chapter members to enhance relationships and create greater fundraising and outreach possibilities.
- Develop and manage budgets relating to special events as well as oversee cash management at the events.
- Develop long term strategies for cultivation of new donors.
- Assist in strategic departmental planning in conjunction with the Vice President of Development and the development staff.
- Plan, implement, promote and evaluate assigned public relations, events or activities and other fundraising vehicles conducted by and for the Agency.
- Manage all aspects of special events, including recruitment, retention, logistics and new program development.
- Organize, coordinate and supervise volunteers at special events.
- Create and manage database of potential participants and companies for events and provide reports as required.

Saint Anselm College, Manchester, NH

Executive Director, Development and Advancement Services

Oct. 2013 – Nov. 2014

Manage day to day operations of annual giving (4 staff members) and advancement services (6 staff members) for Saint Anselm College

- Supervision of annual giving, stewardship, research and advancement services teams in College Advancement
- Oversee and implement all direct mail, e-mail and social media communication – including content, segmentation, timing, etc. – resulting in a 3.7 million dollars raised in annual giving for fiscal year 2014
- Manage all gift entry and database coordination
- Supervise campaign communications and stewardship programs - developing a stewardship plan resulting in 95% of donors receiving donor stewardship packages
- Act as liaison between College Advancement and Athletics resulting in increased athletic participation and dollars raised each of the last 3 years
- Provide and report on fundraising financials to Trustees

Director, Annual Giving

December 2010 – October 2013

Manage \$3 million annual giving program for Saint Anselm College

- Supervision of five person annual giving staff
- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly ranging from \$1,000 to \$10,000
- Established new reunion giving program and young alumni giving program
- Increased alumni participation from 17% in 2010 to 21% projected in 2013
- Create and implement annual appeal schedule and mailings

Associate Director, Annual Giving

July 2009 – December 2010

Support, implement and enhance the Saint Anselm Fund

- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly
- Create annual fund marketing pieces and solicitation letters for fundraising purposes
- Manage and support Reunion Giving programs for 4-5 classes yearly
- Support Office of Alumni Relations at college programs and events

Assistant Director, Annual Giving/ Director, Saint Anselm Phone-a-thon

June 2005 – June 2009

Support and enhance the Saint Anselm Fund as well as being responsible for all day-to-day activities of Saint Anselm College Phone-a-thon program

- Lead and facilitated Senior Class Gift Program, increasing student participation three consecutive years
- Manage and supervised staff of 60-65 students in requesting donations from all college alumni
- Implemented a new training program for all callers resulting in higher overall alumni participation
- Assisted the Manager of Advancement Services in creating a new database to streamline the input and updating of alumni records
- Increased dollars raised by the phone-a-thon from \$95,000 to \$170,000

Assistant Director, Alumni Relations

September 2004 – June 2005

Work with Vice President of Alumni Relations in planning, implementation and follow-up on all college events

- Created and designed invitations and brochures for college alumni events
- Recruited and managed volunteers to work various college events including Reunion Weekend, Homecoming, and others
- Effectively responded to and communicated with alumni regarding general alumni inquiries

SnapDragon Associates, Bedford, NH

Recruiter

April 2004 – September 2004

Worked with the President and Vice President of company in all day-to-day activities of the company

- Contacted possible clients (businesses) to provide recruiting services resulting in 2-3 new leads per week
- Searched for, contacted and interviewed top quality professionals for client positions

EDUCATION

Masters in Business Administration

January 2008

Southern New Hampshire University, Manchester, NH

Bachelor of Arts in Business

May 2004

Saint Anselm College, Manchester, NH

OTHER RELATED EXPERIENCE

Moore Center Services Development Board

Sept. 2010 – Sept. 2016

Diocesan School Board – New Hampshire

June 2014 – present

Goffstown Junior Baseball Board

January 2016 - present

NANCY L. ROLLINS, M.S.W.
EASTERSEALS NH, VT, ME and FARNUM
555 Auburn Street, Manchester, NH 03103
OFFICE PHONE :(603)621-3507 CELL: (603)490-0227
nrollins@eastersealsnh.org

EXPERIENCE

Easterseals, NH, VT, ME and Farnum

555 Auburn Street
Manchester, NH 03103

Chief Operating Officer

November 2016 –Present

Responsible for strategic development across all organizational services and supports. Provide intergovernmental relations working with the senior management team to develop and implement a corporate and legislative strategy. Improve visibility across the three states, specifically in the areas of Health and Human Services, Foundations and State Government. Collaborates with the management team to develop and implement plans for the operational infrastructure of systems, processes and personnel design to accommodate growth and rapid response to needs within the community. Seek growth opportunities through partnerships, mergers and acquisitions of compatible organizations to meet the needs of individuals and their families across the lifespan who have disabilities or special needs. Leads quality initiative to include reviews of program service, analyzes data and develops and implements strategies to move towards quality performance measurement in all services and supports.

Serves as a member of the Executive Leadership Team, reporting directly to the President/ Chief Executive Officer.

Goodwill Industries of Northern New England

38 Locke Road, #2
Concord, NH 03301

New Hampshire State Director for Strategic Development and Public Policy January, 2014 – October 25, 2016

Responsible for collaboration with existing state and local networks to identify, develop or create potential businesses and programs serving the state of New Hampshire. Assuring such activities are consistent with Goodwill of Northern New England's (Goodwill NNE) strategic plan and vision of creating sustainable communities that thrive through the fullest participation of their diverse residents. Acquire knowledge about current trends and emerging issues in public policy, as well as New Hampshire business practices and relates them to existing and potential Goodwill NNE business and program development. Works in conjunction with Goodwill NNE senior management team, New Hampshire Goodwill NNE retail staff, and Agency program managers to fulfill goals in New Hampshire and the agency in general. Represents Goodwill NNE in all state and local activities consistent with the agency's mission to enable persons with diverse challenges achieve personal stability and community engagement.

Serves as a member of the Senior Management Team, reporting directly to the President/ Chief Executive Officer.

**State of New Hampshire
Department of Health and Human Services
Division of Community Based Care Services
129 Pleasant Street
Concord, New Hampshire 03301**

Associate Commissioner

March, 2006 – January, 2014

Responsible for the Division of Community Based Care Services (DCBCS) which provides a wide range of supports and services in partnership with community providers for individuals with developmental disabilities and acquired brain disorders; individuals with serious mental illness or emotional disturbance; adults aged 18-60 who have a chronic illness or disability; individuals age 60 or older; adult protective services ages 18-and up; individuals with substance abuse and alcohol abuse disorders; persons who are homeless or at –risk of homelessness; and children age 0-18 with physical disabilities, chronic illnesses and special health care needs. DCBCS focuses on the development and implementation of long-term care systems that can support an individual’s choice to remain in community and out of long-term institutional settings.

Served as a member of the Commissioner’s Senior Management and Policy Team. This senior level position was a direct report to the Commissioner

**State of New Hampshire
Department of Health and Human Services
Office of Medicaid Business & Policy
And
Division of Community Based Care Services
129 Pleasant Street
Concord, NH 03301**

January, 2006 – March, 2006

Interim Director

At the request of the Commissioner of the Department of Health and Human Services agreed to serve as Interim Director of the Office of Medicaid Business & Policy (OMBP), which has functional responsibility for health planning, reporting, data and research, and the Medical Assistance program (Medicaid).

In addition, serves as Interim Director for the Division of Community Based Care Services (DCBCS). This Division provides a wide range of supports and services in partnership with community systems for individuals with developmental disabilities and acquired brain disorders, individuals with serious mental illness or emotional disturbance, adults aged 18-60 who have a chronic illness or disability and individuals age 60 or older, and children age 0-18 with physical disabilities, chronic illnesses and special health care needs.

**State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
129 Pleasant Street
Concord, NH 03301**

July 1995 – January 2, 2006

Director

Assigned as Acting Director in July 1995, during a reorganization of the Department of Health and Human Services. On November 27, 1995 assumed the position of Director of the Division for Children, Youth

and Families (DCYF) responsible for state leadership of the agency that has statutory authority for child protection, children in need of services (CHINS) and community-based juvenile justice, juvenile probations and parole services. In addition DCYF has administrative responsibility for statewide domestic violence funds and provides state funded childcare/child development services that are employment related, protective or preventative. Administer an annual budget of \$124 million dollars. The Division maintains fifteen service sites statewide with a staff of 370. In addition the Division contracts or vendors services to over 1,600 community-based providers or residential care facilities. On September 16, 2001 the juvenile probation responsibility transferred from DCYF to a newly created Division for Juvenile Justice Services (DJJS). DCYF retains responsibility for child protection, child development/childcare, domestic violence and child welfare prevention services. Administratively DCYF oversees the use of Federal child welfare and Medicaid funds for DJJS. The Director position is a direct report to the Commissioner of the Department of Health and Human Services. Serve as a member of the Department's management team. Provide leadership regarding children, youth and family issues in a wide variety of areas on the community, state and national levels.

State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
6 Hazen Drive
Concord, NH 03301

August 1994 - July 1995

Deputy Director

Direct responsibility for planning and oversight of operational areas of the Bureau of Administrative Services. This includes oversight of the agency budget, personnel, provider relations, and payment of services. Oversees the Bureau of Children and Families which is responsible for all field operations including twelve district offices providing child welfare, children in need of services (CHINS) and juvenile justice services; and the Bureau of Residential Services that is responsible for the operations of the Youth Detention facility, a long-term juvenile detention facility; the Youth Services Unit, a short-term, pre-adjudication unit; and the Tobey School, a state operated-residential facility for seriously emotionally disturbed children and youth. Serve as a liaison to various local, state, and federal agencies relative to child welfare, juvenile justice, and children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

February 1993 - July 1994

Administrator of Children's Mental Health Services

Coordinate planning efforts for development of Community Mental Health Services and programs for children and adolescents; directed contract negotiations with provider agencies; developed and directed initiatives to recommend and implement policies and standards for the enhancement of community-based services and supports for children and their families; provided technical assistance to mental health organizations to resolve operational problems in the care and training of families and child/adolescent consumers; serve as a liaison to various local, state, and federal agencies relative to children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1990 - July 1994

Director of New Hampshire - Child and Adolescent Service System Project.

Director of a statewide systems change project funded by the National Institute of Mental Health. Responsible for writing and acquiring two consecutive, three-year, statewide development grants to enhance children's mental health services in New Hampshire. The project involved coordinating state-level interagency planning teams; facilitating a systems change process with state and local interagency planning teams; coordinating parent support effort, minority outreach, and training initiatives; and instituting new services-delivery for children and adolescents who have a serious emotional disturbance.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1989 - March 1990

Program Planning and Review Specialist

Mental Health Program Administrator for statewide community mental health services. Regional responsibility for The Mental Health Center of Greater Manchester and Center for Life Management, Salem, NH community mental health services; shelters for homeless, and the Consumer Support Program (CSP) Consumer Demonstration Grant. Administer, manage, and monitor federal and state grants; oversee development and implementation of all program services. Clinical Consultant, Child and Adolescent Service System Project, a statewide capacity building project for the development of a statewide comprehensive system of care for seriously emotionally disturbed children and youth.

River Valley Counseling Center, Inc.
Chicopee Adolescent Program
Chicopee, Massachusetts

May 1978 - February 1989

Director, Child/Adolescent Outpatient Mental Health Services

Administrative:

Responsible for development and implementation of all program services, including, individual, group, and family therapy; Adventure-Based Treatment Program; Home Supports Outreach Program; Community Agency Consultation; Court Advocacy. Supervision of fourteen staff. Developed, negotiated, and maintained contract services with the Massachusetts's Department of Public Health; Department of Mental Health; Department of Social Services; Department of Youth Services; Chicopee Community Development; Pioneer Valley United Way; and the United Way of Holyoke, Granby, and South Hadley. Developed, negotiated, and monitored contract services with seven area community school systems. Responsible for an \$850,000 Program budget. Co-developed and co-founded the Holyoke Teen Clinic in partnership with Holyoke pediatrics Association, Holyoke Health Clinic, and Providence Hospital Alcohol and Substance Abuse Treatment Services, a comprehensive school-based health clinic serving senior and junior high-school students and their families. Formed partnerships with area human service networks.

Provided in-service training workshops to local schools and community agencies. Developed and implemented mental health and substance abuse treatment services on site at the Westover Job Corps Healthcare Facility in Chicopee, Mass. The Westover Job Corps serves a large multicultural population from throughout the greater Northeast.

Clinical:

Provide individual, group, and family therapy to low and moderate-income families. Focus on substance abuse, family systems, and general child/adolescent mental health services. Developed and co-lead Adventure-based treatment groups with adolescents who have serious emotional disturbances, developmental delays and /or special medical needs. Provided clinical supervision to nine therapists. Provided clinical consultation to Holyoke Girls Club/Boys Club; Holyoke High School Teen Clinic, Inc.; Chicopee District Court, Holyoke District Court, and the Department of Social Services, Holyoke District Office; facilitated staff case disposition, in-service training and utilization review of children's mental health cases.

Hartford Neighborhood Centers

Mitchell House

Hartford, Connecticut

September 1974 - May 1975

Youth Counselor

Full-time undergraduate student internship. Developed and implemented human service programs for inner-city Hispanic and African-American youth. Provided counseling, therapeutic recreation, advocacy, and crisis intervention services. Served as a member of City-Wide Youth Board. Provided staff support to other Center programs serving pre-schoolers, school-aged youth and elderly.

Springfield Girls Club/ Family Center

Springfield, Massachusetts

September 1973 - May 1974

Child Care Worker

Provided a multi-cultural, after school recreational program for preschoolers.

EDUCATION

Master of Social Work

University of Connecticut

School of Social Work

West Hartford, Connecticut

Degree conferred, May 1985

Concentration in Public Policy and Administration-Minor in Group Work

Bachelor of Science, Cum Laude

Springfield College

Springfield, Massachusetts

Degree conferred, May 1985

Concentration in Community, Leadership and Organizational Development

Primary Focus on Human Services Administration

TEACHING EXPERIENCE

Dartmouth College Medical School
Department of Psychiatry
Dartmouth-Hitchcock Medical Center
Lebanon, New Hampshire
Adjunct Faculty January 2001- Dec. 2005

Springfield College
School of Human Services
Manchester, New Hampshire
Adjunct Faculty May 1999 – August 2005

New Hampshire Public Manager Program
NH Division of Personnel
Bureau of Education and Training
Professional Mentor for a middle management employee December 1997 – December 1999

University of New Hampshire
School of Health and Human Services
Department of Social Work
Adjunct Faculty September 1996 - 1999

PROFESSIONAL ASSOCIATIONS

New Hampshire Medicaid Medical Care Advisory Committee January 2018 – Present

Oversight Commission on Children’s Services (RSA 170-G:19, HB517, Laws of 2017 , appointed by Senate President Chuck Morse, July 6, 2017 to Present

Brain Injury Association of NH – Employment Advisory Committee September 2015 – 2016

Governor’s Interagency Council on Homelessness (ICH) Employment Workgroup
February 2015 -Present

Center on Aging and Community Living Advisory Board September 2014 - Present

Legislative Task Force on Work and Family, Governor Appointment September 2014- Present

NH Center for Non-profits Policy and Leadership Task Force May 2014 – Present

New Hampshire State Rehabilitation Advisory Council, Governor Appointment February 2014 – Present
Chair Oct. 2016 - Present

National Advisory Committee, *Positioning Public Child Welfare Initiative: Strengthening Families*

For the 21st Century this initiative is co-sponsored by the National Association of Public Child Welfare Administrators (NAPCWA) and Casey Family Programs February 2008 - 2009

New Hampshire State Mental Health Council January 2006 – 2011

New Hampshire Children's Behavioral Health Collaborative, Member Leadership Committee 2010- August 2013

New Hampshire Interagency Coordinating Council for Women Offenders January 2006 – December 2013

National Association of State Mental Policy Directors (NASMHPD) January 2006- December 2013
NASMHPD representative to the Children's Mental Health Subcommittee
Chair, NASMHPD President's Task Force on Returning Veteran's
Board Member Member-at-Large 2011-2013
Board Member NASMHPD Research Institute, Inc. (NRI) 2011-Present
NASMHPD Research Institute, Inc. (NRI), Board Vice-President 2011-2013
NASMHPD Representative to the 27th Annual Rosalyn Carter Symposium on Mental Health Policy, "*Building Bridges and Support for Children Exposed to Domestic Violence, Child Welfare and Juvenile Justice*", Atlanta, Georgia, Oct. 26 and 27, 2011.
NASMHPD Board Vice-President 2012 - 2013

National Association of Public Child Welfare Administrators (NAPCWA), an Affiliate of the American Public Human Services Association
SMHRCY Representative to Children's Mental Health Subcommittee and
NAPCWA Executive Committee, 1991 - 1994
NH State Child Welfare Representative, 1995- Present
NAPCWA Executive Committee, Member-at-Large, Vice-President, January 2002- Dec 2004
NAPCWA State Representative to the APHSA –sponsored re-writes of the Interstate Compact for The Placement of Children, Dec. 2004 – Nov. 2005
NAPCWA President, January 2005 – January 2006

New England Association of Child Welfare Commissioners and Directors
Judge Baker Children's Center, Boston, Mass.
Committee Member, 1995 – January 2006
Vice-President, 2001- January 2006

NH Chapter of the National Association of Social Workers September 1999 - 2003
25 Walker Street
Concord, New Hampshire
State Advisory Board - Member- at-large

University of New Hampshire
School of Health and Human Services
Department of Social Work September 1998 – September 2002
Community Advisory Board Member

National Technical Assistance Center for Children's Mental Health 1995 - 1998

Georgetown University Child Development Center
Advisory Committee Member

State Mental Health Representative for Children and Youth (SMHRCY)
NH State Representative, 1989 - 1994
Executive Committee, 1992 - 1994

Community 2000: Pioneer Valley United Way
Member, Substance Abuse Subcommittee
Children and Adolescents Subcommittee, 1988 - 1989

Western MA. AIDS Service Providers Coalition, 1987 - 1989

Massachusetts Council for Children 1988 -1989
Board of Directors Regional Member, Holyoke, MA

Massachusetts Association of Substance Abuse Service Providers (MASASP)
Member of Statewide Board of Directors, 1985 - 1987

CIVIC ASSOCIATIONS

Upper Valley Lake Sunapee Regional Planning Commission, Commissioner Representative for the Town
of New London appointed by Town Board of Selectmen. 2012 – 2016
Vice Chair of the Commission, Serve on the Executive Committee 2014 - 2016

New London Zoning Board of Adjustments, appointed by the Town Board of Selectman
2013- 2014

At Home New Hampshire, helping seniors 'age in place' in New London, Newbury, Springfield,
Sunapee, Sutton and Wilmot, Board of Directors. 2012 – 2014

Member of Saint Andrew's Episcopal Church, New London, NH
Appointed to the Vestry, January 2014 -2017

New London, Board of Selectmen Elected, May 2014- Present Second Term
Chair, May 2015 -2016
Board Representative to the Budget Committee 2014- Present

New Hampshire Municipal Association, Board of Directors 2015 - Present

Awards

Awarded the "New Hampshire National Guard Distinguished Service Medal" for providing
leadership while at the Department of Health and Human Services for developing services,

supports and special military / civilian partnerships for the purposes of better meeting the needs of New Hampshire service members both active duty, deployed and reserves, their families, and veterans. Presented by William N. Reddel III, Major General , New Hampshire National Guard, The Adjutant General and Governor Margaret Wood Hassan , 20 November 2014.

Awarded the "*Commander's Award for Civilian Service*" for organizing and implementing 'Operation Welcome Home' a military / civilian partnership to support hundreds of New Hampshire Guard service members returning from Iraq and Afghanistan. Presented by Kenneth Clark, Major General, New Hampshire National Guard, The Adjutant General, 24 May 2005.

Awarded the "*Commissioner's Award*" which recognizes those who, through their hard work and dedication, have made outstanding contributions toward the prevention, intervention, and treatment of child abuse and neglect. Individuals who receive this award have demonstrated a strong personal commitment to ensuring the safety and well being of children and to supporting and strengthening our nation's families. Presented at the 2005 15th National Conference on Child Abuse and Neglect, by Joan E. Ohl, Commissioner, Children's Bureau, Administration for Children, Youth and Families, U.S. Department of Health and Human Services, Washington, D.C., 21 April 2005.

MAUREEN ANN BEAUREGARD
President & CEO
Easterseals New Hampshire, Inc.

<https://www.linkedin.com/in/maureen-beauregard-b637358/>

EDUCATION: B.S. University of New Hampshire

PROFESSIONAL EXPERIENCE:

2019 - Present Easterseals New Hampshire, Inc., Manchester, NH
<https://www.eastersealsnh.org/>
President/CEO

1991 - 2019 Families in Transition - New Horizons, Manchester, NH
<https://www.fitnh.org/>
President (2018-2019)
President and Founder (1991-2017)

1987 - 1991 State of New Hampshire, Division for Children and Youth
Services, Portsmouth, NH
<https://www.dhhs.nh.gov/dcyf/>
Child Protective Service Worker II

Maureen Ann Beauregard

Professional Expertise

Visionary/Tenacious
Strategic Planning
Community Relationships
Organizational Capacity Building

Strong Financial Acumen
Entrepreneur/Builder
Experienced Communicator
Team Building & Leadership

Professional Experience

November 1991 – ²⁰¹⁹ Present Families in Transition

January 2018 – ²⁰¹⁹ Present
President, Families in Transition – New Horizons Manchester NH

Key Accomplishments

- Merged Families in Transition with the State's largest shelter and food pantry.
- Successfully led board strategy for combined organization.
- Developed and led public awareness and acceptance of combined organization.
- Merger resulted in being the State's largest organization in the provision of shelter, housing, food and services for homeless families and individuals.

December 2017 – June 2018
Receiver of Serenity Place Manchester, NH

Key Accomplishments

- Successfully navigated complex negotiations with the dissolution and replacement of critical substance use disorder program with the NH Charitable Trust office.
- Brought together key political leaders, businesses and NH's not-for-profit sector.

November 1991 – December 2017
President & Founder Manchester, NH

Key Accomplishments:

- Began as a program providing housing and services to 5 women and their children.
- Currently, providing housing to 1,328 families and individuals and 138,000 meals annually.
- Developed housing and services programs in four geographic regions: Manchester, Concord, and Dover & Wolfeboro.
- Developed \$38M in Assets and a \$14M Annual Budget. Facilities developed with alternative financing structures that include varied layering structures resulting in affordability for the organization and those it serves.

Contact

Community Service

• NH Charitable Foundation – Member Board of Directors, (Current)

• NH Interagency Council to End Homelessness – Past Chairperson Board of Directors, 2015

• Leadership New Hampshire, 2010

• Housing Action New Hampshire – Past Council Member, 2009

• Greater Manchester Chamber of Commerce – Past Member, Board of Directors, 2009

Awards and Honors

• Greater Manchester Chamber of Commerce's Citizen of the Year, 2018

• Southern New Hampshire University Loeffler Award, 2018

• University of New Hampshire Granite State Award, 2018

• Business NH Magazine's Nonprofit of the Year, 2013

- Personally Authored and awarded +\$20M in HUD funding from 1995 – 2008.
- Developed 272 housing units and 199 shelter beds.
- Specialty Programs developed:
 1. Willows Substance Use Treatment Center – Outpatient and Intensive Outpatient services. Use of 3rd party insurance and state billing. Negotiations with State of NH.
 2. Two Transitional Living Programs: one for men and one for women. Use of 3rd party insurance and state billing. Negotiations with the State of NH.
 3. Recovery Housing - Safe housing for Moms with Children who are recovering from substance use disorder. Negotiated with State of NH.
 4. Open Doors – In-home substance use disorder services for parent(s) and therapeutic services for children.
 5. Connections to Recovery – 4 Geographic area outreach to homeless with substance use disorder. SAMSHA \$1.5M.
- Acquired Organizations Include:
 1. Manchester Emergency Housing, 2012. Developed and expanded new family shelter that also includes a Resource Center in 2015.
 2. New Hampshire Coalition to End Homelessness, 2014. Elevated organization as a leader in advocacy, research and training on behalf of homeless families and individuals.
- Organization developed to assist Families in Transition – New Horizons with double bottom line of assisting with financial sustainability and deeper mission impact include:
 1. Housing Benefits, 2009. A not for profit organization and federally designated Community Housing Development Organization that is prioritized in receiving 10% of federal funds for housing related activities. Acts as the property management company and housing development arm of Families in Transition – New Horizons. Both the property management and developer fees assist with the organization's sustainability.
 2. OutFITters Thrift Store, 2003. An LLC entrepreneurial business venture that provides profits and management fees to provide unrestricted resources for Families in Transition's mission. Assists in the sustainability of the organization and is the entry point for in-kind donors who become volunteers and eventually provide financial support the organization through financial donations.
 3. Wilson Street Condo Association, 2018. Development of housing and commercial real estate, \$3.9M. A project that houses a collaborative effort amongst four not-for profit organizations with a focus on a substance use disorder. Provides property management and developer fees to assist

- New Hampshire Business Review's Outstanding Women in Business, 2011
- Key to the City of Manchester by Mayor Robert Baines, 2005
- National Association of Social Workers Citizen of the Year, 2005
- NH Business Review's Business Excellence Award, 2004
- Walter J. Dunfee Award for Excellence in Management Organizational Award, 2004
- NH Commission on the Status of Women – Women's Recognition Award, 2003
- New Hampshire Housing Finance Authority Best Practices in Housing Development, 2003

In organization's sustainability.

4. Antoinette Hill Condo Association, 2019. Purchase of housing units, \$1.6M. Provides property management and developer fees to assist in organization's sustainability.
5. Hope House, 2018. With a majority of gifts from two individuals, developed and implemented first shelter for families in the lakes region. The facility includes a commercial rental component of cell antennae and business rental income utilized to assist with the organizations sustainability.

November 1987 – March 1991

Child Protective Service Worker II

Portsmouth, NH

State of New Hampshire, Division for Children and Youth Services.

Professional Expertise

Bachelor of Science University of New Hampshire, 1987

Masters of Arts Community Development Policy and Practice, University of New Hampshire, Student, 2019

References

Available Upon Request

Tina M. Sharby, PHR
Easter Seals New Hampshire, Inc.
555 Auburn Street
Manchester, NH 03103

Human Resources Professional with multi-state experience working as a strategic partner in all aspects of Human Resources Management.

Areas of expertise include:

Strong analytical and organizational skills
Ability to manage multiple tasks simultaneously
Employment Law and Regulation Compliance
Strategic management, mergers and acquisitions

Problem solving and complaint resolution
Policy development and implementation
Compensation and benefits administration

PROFESSIONAL EXPERIENCE

Chief Human Resources Officer 2012-Present

Senior Vice President Human Resources
Easter Seals, NH, VT, NY, ME, RI, Harbor Schools & Farnum Center
1998-2012

Reporting directly to the President with total human resources and administration. Responsible for employee relations, recruitment and retention, compensation, benefits, risk management, health and safety, staff development for over 2100 employees in a six state not-for-profit organization. Developed and implemented human resources policies to meet all organizational, state and federal requirements. Research and implemented an organizational wide benefits plan that is supportive of on-boarding and retention needs.

Developed and implemented a due diligence research and analysis system for assessing merger and acquisition opportunities. Partnered with senior staff team in preparation of strategic planning initiatives.

Member of the organizations Compliance Committee, Wellness Committee and Risk Management Committee. Attended various board meetings as part of the senior management team, and sit on the investment committee of the Board of Directors for Easter Seals NH, Inc.

Human Resources Director
Moore Center Services, Inc., Manchester, NH
1986-1998

Held progressively responsible positions in this not-for-profit organization of 450 employees. Responsible for the development and administration of all Human Resources

activities. Implemented key regulatory compliance programs and developed innovative employee relations initiatives in a rapidly changing business environment. Lead the expansion of the Human Resources department from basic benefit administration to becoming a key advisor to the senior management.

Key responsibilities included benefit design, implementation and administration; workers compensation administration; wage and salary administration, new employee orientation and training; policy development and communication; retirement plan administration; budgetary development; and recruitment.

EDUCATION

Bachelor of Science Degree, Keene State College, 1986
Minor in Human Resources and Safety Management
MS Organizational Leadership, Southern NH University (in process)

ORGANIZATIONS

Manchester Area Human Resource Association
Diversity Chair 2010
Society for Human Resource Management
BIA Human Resources
Health Care & Workforce Development Committee 2009, 2010

Susan L. Silsby

SUMMARY OF QUALIFICATIONS

- Over 25 years of experience in the non-profit industry
- Successful track record in program operations across multiple states
- Strong leadership and managerial skills
- Solid fiscal management ability
- Exceptional customer service skills
- Professional, organized and highly motivated

EDUCATION

University System of New Hampshire Plymouth, New Hampshire
BA in Psychology

Varsity Swimming & Diving, Varsity Field Hockey, Delta Zeta National
Sorority

PROFESSIONAL EXPERIENCE

1988- Present EASTER SEALS NEW HAMPSHIRE

Senior Vice President of Program Services

Plan, develop, implement and monitor program services for adults throughout New Hampshire.

Manage all aspects of operations related to the delivery services including program development, financial management and personnel management.

Analyze trends in referrals, service delivery and funding to develop and implement strategic plans that increase the market share, enhance financial viability and improve public relations.

Report on administrative, financial, and programmatic outcomes.

Initiate and maintain contact with local and state agency representatives, at all levels, to promote Easter Seals services and develop new program opportunities.

Establish and maintain effective and positive relationships with public and private agencies, referring agencies, parents, funders, and community representatives to ensure customer satisfaction and solicit increased referrals

Other positions held: Vice President of Community Based Services, Director of Vocational Services, Direct Support Professional

EASTER SEALS NH, INC.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President & CEO	\$300,000.00	0%	\$0
Elin Treanor	CFO	\$229,154.40	0%	\$0
Joseph Emmons	CDO	\$129,780.00	0%	\$0
Tina Sharby	CHRO	\$160,650.00	0%	\$0
Nancy Rollins	COO	\$148,500.00	0%	\$0
Susan Silsby	SVP of Adult Services	\$164,324.29	0%	\$0

Subject: Adult Day Program Services (RFA-2021-DLTSS-02-ADULT-02) _____

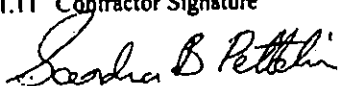

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Area Agency of Greater Nashua, Inc.		1.4 Contractor Address 144 Canal Street Nashua, NH 03064	
1.5 Contractor Phone Number (603) 459-2701	1.6 Account Number 05-95-48-481010-7872-540-500382; 05-95-48-481010-9255-566500918; 05-95-48-481010-1917-102-500731	1.7 Completion Date June 30, 2022	1.8 Price Limitation \$162,240
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 6/8/2020		1.12 Name and Title of Contractor Signatory Sandra B. Pelletier CEO/President	
1.13 State Agency Signature  Date: 6-8-2020		1.14 Name and Title of State Agency Signatory Christie Tappan, Associate Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: Catherine Pinos On: 06/10/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

Contractor Initials *SBP*
 Date 6/8/2020

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



EXHIBIT A

REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:
 - 3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2020 ("Effective Date").
- 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two (2) of years additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services under this Agreement for individuals who are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, or who are not eligible for other New Hampshire Medicaid services, or who are not receiving the same or similar services through the Veterans' Administration.
- 1.2. For the purposes of this agreement, all references to days shall mean calendar days.
- 1.3. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from (8:00 am to 5:00 pm), excluding state and federal holidays.
- 1.4. The Contractor shall provide Adult Day Program Services in Nashua, New Hampshire.
- 1.5. The Contractor shall be licensed as an adult day program in accordance with RSA 151:2 I (f) and as governed by New Hampshire Code of Administrative Rules Part He-P 818, Adult Day Programs.
- 1.6. The Contractor shall provide services in accordance with New Hampshire Administrative Rule He-E 501, The Social Services Block Grant (Title XX) and New Hampshire Administrative Rule He-E 502, The Older American Act Services: Title IIIB Supportive Services, governing Adult Day Program Services.
- 1.7. The Contractor shall provide services and administration of the program in accordance with the applicable federal and state laws, NH Administrative Rules He-E 501 and He-E 502, policies and regulations adopted by the Department currently in effect, and as they may be adopted or amended during the contract period.
- 1.8. The Contractor shall provide services in a supervised setting for fewer than twelve (12) hours a day to individuals 18 years of age and older, based on an individual's needs, which may include, but are not limited to:
 - 1.8.1. Assistance with activities of daily living.
 - 1.8.2. Nursing care and rehabilitation services.
 - 1.8.3. Recreational, social, cognitive and physical stimulation activities.
 - 1.8.4. Monitoring of the individual's condition
 - 1.8.5. Counseling, as appropriate, on nutrition, hygiene or other related matters.
 - 1.8.6. Referrals to other services and resources as necessary.
 - 1.8.7. Assistance and support to caregiving families

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EXHIBIT B

- 1.9. The State reserves the right to require services to be concurrently provided in facilities and in an alternative setting. The Contractor may:
 - 1.9.1. Provide adult day program services in an alternative setting approved by the Department, during a declaration of emergency or disaster issued by the Governor. The Contractor shall:
 - 1.9.1.1. Comply with all laws, rules, and guidance in accordance with the State of New Hampshire and the federal Older American Act Services.
 - 1.9.1.2. Comply with guidelines from the Centers for Disease Control and Prevention (CDC) and the Department, as directed by the Department during emergencies.
 - 1.9.1.3. Obtain Department consent for modifications due to suspended in-facility services.
 - 1.9.1.4. Provide services in accordance with guidance from the Department that include, but are not limited to:
 - 1.9.1.4.1. Continuation of certain services, telephonically or via video chat, to individuals currently receiving services.
 - 1.9.1.4.2. Completion of the Daily Care Connection form issued by the Department for each remote contact with a participant.
- 1.10. The Contractor shall provide services to individuals referred by:
 - 1.10.1. The Adult Protection Program.
 - 1.10.2. Direct application to the Contractor for services.
 - 1.10.3. NH ServiceLink Resource Centers and other community agencies.
 - 1.10.4. Self-referral.
- 1.11. The Contractor shall conduct an expedited intake for individuals referred by the Adult Protection Program in accordance with the NH Administrative Rules He-E 501 and 502, which include, but are not limited to:
 - 1.11.1. Waiving application, determination and redetermination requirements.
 - 1.11.2. Utilizing information provided by Adult Protective Program staff to provide appropriate services.
 - 1.11.3. Reporting suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law.
 - 1.11.4. Making a good-faith effort to ensure the provision of services.



EXHIBIT B

- 1.11.5. Informing the referring Adult Protective Program staff of any changes to the referred individual's situation, or other concerns.
- 1.12. The Contractor shall determine eligibility for services, and complete an intake and an application for services for individuals who apply directly to the Contractor, in accordance with NH Administrative Rules He-E 501 and 502.
- 1.13. The Contractor shall provide written notice of eligibility to each individual who applies to the Contractor for services no later than forty-five (45) days from the date eligibility is determined, which includes, but is not limited to:
- 1.13.1. Services to be provided including frequency; and
 - 1.13.2. Beginning and end dates for the period of eligibility; or
 - 1.13.3. If the individual is determined to not be eligible for service(s), the notice shall include, but is not limited to:
 - 1.13.3.1. The reason(s) for the denial;
 - 1.13.3.2. A statement regarding the right of the individual or his or her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 1.13.3.3. Contact information for requesting an administrative hearing, as described in New Hampshire Administrative Rule He-E 501.11.
- 1.14. The Contractors shall use the Department's Form 3000 application when determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX).
- 1.15. The Contractor shall submit its policies and procedures for client eligibility determination and redetermination to the Department for review and approval, within 30 days of the start of each State Fiscal Year. The Contractor shall:
- 1.15.1. Terminate services when:
 - 1.15.1.1. The individual or his or her authorized representative requests that the services be terminated.
 - 1.15.1.2. The individual no longer meets the eligibility requirements for services.
 - 1.15.1.3. Funding by the State for the service(s) is no longer available.
 - 1.15.1.4. The individual did not reapply for services as required by program rules.
 - 1.15.1.5. The individual is admitted to a nursing home or residential care facility.
 - 1.15.2. Request a service authorization from the Department for each individual determined eligible for services.



EXHIBIT B

- 1.15.3. Submit a completed Form 3502 "Contract Service Authorization-New Authorization," in accordance with NH Administrative rule He-E 501.15, for each client determined eligible for services. The completed Form 3502 may include more than one services and shall be submitted to:

Bureau of Data Management
129 Pleasant Street
Concord, NH 03301

- 1.15.4. Assess each individual's needs and develop a written service plan; maintain written progress notes; and monitor and adjust the service plans to meet the individual's needs, in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 1.15.5. Incorporate the following Guiding Principles for Person-Centered Planning Philosophy into agency functions, policies, and staff-client interactions when providing services::
- 1.15.5.1. Individuals and families are invited, welcomed, and supported as full participants in service planning and decision-making.
 - 1.15.5.2. Individual's wishes, values, and beliefs are considered and respected.
 - 1.15.5.3. Individual is listened to; needs and concerns are addressed.
 - 1.15.5.4. Individual receives the information he/she needs to make informed decisions.
 - 1.15.5.5. Planning is responsive to the individual. His or her preferences drive the planning process, though the decision making process may need to be accelerated to respond to emergencies.
 - 1.15.5.6. Services are designed, scheduled, and delivered to best meet the needs and preferences of the individual.
 - 1.15.5.7. The system is committed to excellence and quality improvement.
 - 1.15.5.8. Individual rights are affirmed and protected.
 - 1.15.5.9. Individuals are protected from exploitation, abuse, and neglect.
 - 1.15.5.10. The service system is accessible, responsive, and accountable to the individual.

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EXHIBIT B

- 1.15.6. Maintain a level of staffing necessary to perform and provide the functions, requirements, roles, and duties in a timely fashion for the number of clients identified in this Agreement.
- 1.15.7. Develop and submit its written Staffing Contingency Plan to the Department within 30 days of contract approval date, which includes, but is not limited to:
 - 1.15.7.1. The process for replacing personnel in the event of loss of personnel during contract period.
 - 1.15.7.2. A description of how additional staff resources will be allocated to support contract services in the event of inability to meet any performance standard.
 - 1.15.7.3. A description of time frames necessary for obtaining staff replacements.
 - 1.15.7.4. An explanation of capabilities to provide, in a timely manner, staff replacements and/or additions with comparable experience.
 - 1.15.7.5. A description of the method for training new staff members performing contract services.
- 1.15.8. Verify each staff member and each volunteer completes appropriate orientation and training; has the required education; and has the appropriate experience to fulfill the responsibilities of their respective position. The Contractor shall maintain all relevant documents, including, but not limited to:
 - 1.15.8.1. Current personnel records.
 - 1.15.8.2. Training records.
 - 1.15.8.3. Licenses.
 - 1.15.8.4. Certifications.
- 1.16. The Contractor shall maintain a system for tracking, resolving, and reporting client complaints relative to services, processes, procedures, and staff. The Contractor shall provide a written record of all complaints to the Department, upon request, ensuring the information includes, but is not limited to:
 - 1.16.1. Individual's name.
 - 1.16.2. Type of service.
 - 1.16.3. Date of complaint.
 - 1.16.4. A description of the complaint.
 - 1.16.5. Resolution to the complaint.
 - 1.16.6. Notice of right to appeal.

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EXHIBIT B

- 1.17. The Contractor shall complete a criminal background check for each staff member or volunteer who interacts with or provides hands-on care to individuals in compliance with the requirements of NH Administrative Rule He-P 818, Adult Day Programs.
- 1.18. The Contractor shall not commence delivery of services prior to the receipt by the Department of documentation required in Subsection 1.17, above.
- 1.19. The Contractor shall develop a survey, to be approved by the Department, and conduct a survey of individuals receiving services, via telephone, mail, e-mail, or face-to-face.
- 1.20. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services.
- 1.21. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services, in accordance with NH Administrative Rule He-E 501.10, in the event that:
 - 1.21.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 1.21.2. The Contractor terminates a service or services for any reason; or
 - 1.21.3. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

2. Exhibits Incorporated

- 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Reporting Requirements

- 3.1. The Contractor shall submit quarterly reports on the provision of Adult Day Care services to the Department, on a pre-defined electronic form supplied by the Department. The Contractor shall:
 - 3.1.1. Submit reports to the Department no later than the 15th day of the month following the end of each quarter.
 - 3.1.2. Ensure each report includes, but is not limited to:



EXHIBIT B

- 3.1.2.1. Total expenses.
- 3.1.2.2. Revenue.
- 3.1.2.3. Actual Units served, sorted by funding source.
- 3.1.2.4. Number of unduplicated clients served, sorted by funding source.
- 3.1.2.5. Number of Title III and Title XX clients served with funds not provided by the Department.
- 3.1.2.6. Unmet need/waiting list.
- 3.1.2.7. Length of time clients are on a waiting list.
- 3.1.2.8. A narrative description of activities during the previous quarter, which shall include, but is not limited to:
 - 3.1.2.8.1. Quality improvement activities initiated in response to each complaint.
 - 3.1.2.8.2. An explanation for each instance in which an individual did not receive planned services.
- 3.2. The Contractor shall report suspected abuse, neglect, self-neglect, and/or exploitation of incapacitated adults as required by RSA 161-F:46 of the Adult Protection law.
- 3.3. The Contractor shall provide written notice of the inability to meet any contract service obligations, including but not limited to reducing hours of operations; changing services area; or closing and/or opening a site at least ninety (90) days prior to the event. The Contractor shall:
 - 3.3.1. Mail written notices to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 105 Pleasant Street
 - Concord, NH 03301
 - 3.3.2. Ensure written notifications include:
 - 3.3.2.1. Reason(s) for the inability to deliver services;
 - 3.3.2.2. How service recipients and the community will be impacted;
 - 3.3.2.3. How service recipients and the community will be notified; and
 - 3.3.2.4. A plan to transition clients into other services or refer the clients to other agencies.

4. Performance Measures

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EXHIBIT B

- 4.1. The Department will monitor Contractor performance by evaluating the following performance measures:
- 4.1.1. Eligibility
 - 4.1.1.1. The number of applications and service requests and
 - 4.1.1.2. The number and percent of applicants found eligible for each service.
 - 4.1.1.3. The number and percent of applicants found ineligible for each service.
 - 4.1.1.4. The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.
 - 4.1.1.5. The number and percent of individuals who have experienced a safety-related incident or accident, which occurs during times of face-to-face contact.
 - 4.1.1.6. The number and percent of individuals for whom a report to Adult Protective Services was made.
 - 4.1.2. Service Delivery
 - 4.1.2.1. The number of open cases at the end of each reporting period, and
 - 4.1.2.2. The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available due to inadequate staffing or other related provider issue or due to lack of transportation, etc.
 - 4.1.2.3. The number and percent of individuals completing the survey
- 4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.
- 4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

- 5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities



EXHIBIT B

and expenditure requirements under this Agreement so as to achieve compliance therewith.

5.2. Culturally and Linguistically Appropriate Services (CLAS)

5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

5.3. Credits and Copyright Ownership

5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

- 5.3.3.1. Brochures.
- 5.3.3.2. Resource directories.
- 5.3.3.3. Protocols or guidelines.
- 5.3.3.4. Posters.
- 5.3.3.5. Reports.

5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5.4. Operation of Facilities: Compliance with Laws and Regulations

5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said

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EXHIBIT B

license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

5.5. Eligibility Determinations

- 5.5.1. If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
- 5.5.2. Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
- 5.5.3. In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
- 5.5.4. The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Records

- 6.1. The Contractor shall keep records that include, but are not limited to:
 - 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 6.1.2. All records shall be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions



EXHIBIT B

and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

6.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

6.1.4. Medical records on each patient/recipient of services.

6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 62.38% Federal Funds by the:
 - 1.1.1. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Administration on Aging Services Grants (CFDA:#93.044), FAIN #2001NHOASS-01, as awarded on September 1, 2019. 14.57% Federal funds
 - 1.1.2. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Social Services Block Grant (CFDA:#93.667), FAIN #2001NHSOSR, as awarded on September 1, 2019. 34.57% Federal Funds
 - 1.1.3. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, CARES Act Title III Grants (CFDA:#93.044), FAIN #2001NHSSC3-00, as awarded on April 20, 2020. 13.24% Federal funds
 - 1.2. 37.62% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a (Subrecipient or Contractor), in accordance with 2 CFR 200.330.
 - 2.2. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment in accordance with the rates and units specified in Exhibit C-1, Rate Sheet.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.beasinvoices@dhhs.nh.gov or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if

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6/18/2020



EXHIBIT C

sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200,

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6/18/2020



EXHIBIT C

Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

- 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 12.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
- 12.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

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6/8/2020

Exhibit C-1 Rate Sheet

Area Agency of Greater Nashua, Inc.
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7/1/2020 through 06/30/2021 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	779	\$60.00	\$ 46,740.00
Title IIIB AGDC	Per Day/Per Person	394	\$60.00	\$ 23,640.00
Title IIIB AGDC COVID	Per Day/Per Person	358	\$60.00	\$ 21,480.00

7/1/2021 through 06/30/2022 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	779	\$60.00	\$ 46,740.00
Title IIIB AGDC	Per Day/Per Person	394	\$60.00	\$ 23,640.00

SBP

6/8/2020



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check if there are workplaces on file that are not identified here.

Vendor Name:

6/8/2020
Date

Sandra B. Belletier
Name: Sandra B. Belletier
Title: CEO/President



CERTIFICATION REGARDING LOBBYING

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

6/8/2020
Date

Sandra B. Reiter
Name: Sandra B. Reiter
Title: CEO/President

Vendor Initials SLP
Date 6/8/2020



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
 - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

6/8/2020

Date

Sandra B. Kellier
Name: Sandra B. Kellier
Title: CEO/President



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal-nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

[Handwritten Signature]
[Handwritten Date: 6/18/2020]

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

6/8/2020
Date

Sandra B. Pelletier
Name: Sandra B. Pelletier
Title: CEO / President

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

SBP



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

6/8/2020
Date

Sandra B Pelletier
Name: SANDRA B. Pelletier
Title: CEO/President



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- I. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



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Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.

- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:

- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- o The unauthorized person used the protected health information or to whom the disclosure was made;
- o Whether the protected health information was actually acquired or viewed
- o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. **Segregation.** If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. **Survival.** Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services
 The State

 Signature of Authorized Representative

 Name of Authorized Representative

 Title of Authorized Representative

 Date

Area Agency of Greater Nashua, Inc.
 Name of the Contractor

 Signature of Authorized Representative

 Name of Authorized Representative

 Title of Authorized Representative

 Date



CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

6/8/2020
Date

Adria B. Pelletier
Name: Adria B. Pelletier
Title: CEO/President

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FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 193539343
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

_____ NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals, and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

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wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from



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DHHS Information Security Requirements

the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doiit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

Handwritten initials, possibly 'SLP', in black ink.

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DHHS Information Security Requirements

- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

State of New Hampshire

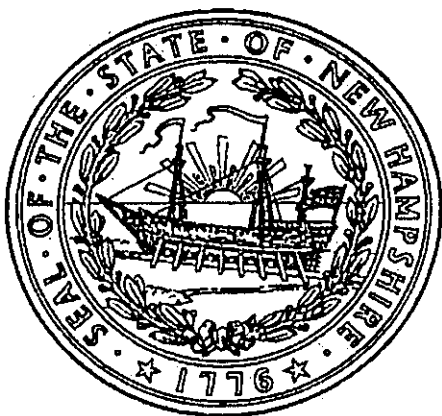
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that AREA AGENCY OF GREATER NASHUA, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on December 12, 1983. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 74294

Certificate Number: 0004919793



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 22nd day of May A.D. 2020.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

1. James F. Moran, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Area Agency of Greater Nashua, Inc
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on May 27, 2020 at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Sandy Pelletier (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Area Agency of Greater Nashua, Inc
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 6/8/2020

James F Moran
Signature of Elected Officer
Name: JAMES F. MORAN
Title: TREASURER

Client#: 492697

GATEWCOM

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/24/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123	FAX (A/C, No):
	E-MAIL ADDRESS:	
INSURED Area Agency of Greater Nashua, Inc. dba Gateways Community Services 144 Canal Street Nashua, NH 03064	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Philadelphia Insurance Company	NAIC # 32204
	INSURER B : Granite State Healthcare & Human Svc WC	NONAIC
	INSURER C :	
	INSURER D :	
	INSURER E :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK1931589	01/23/2019	07/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK1931590	01/23/2019	07/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10000			PHUB662036	01/23/2019	07/01/2020	EACH OCCURRENCE \$3,000,000 AGGREGATE \$3,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	HCHS201900000156	02/01/2020	02/01/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab			PHPK1931589	01/23/2019	07/01/2020	\$1,000,000 Ea.Incident \$3,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 This Certificate covers all operations usual and customary to the business of the insured.

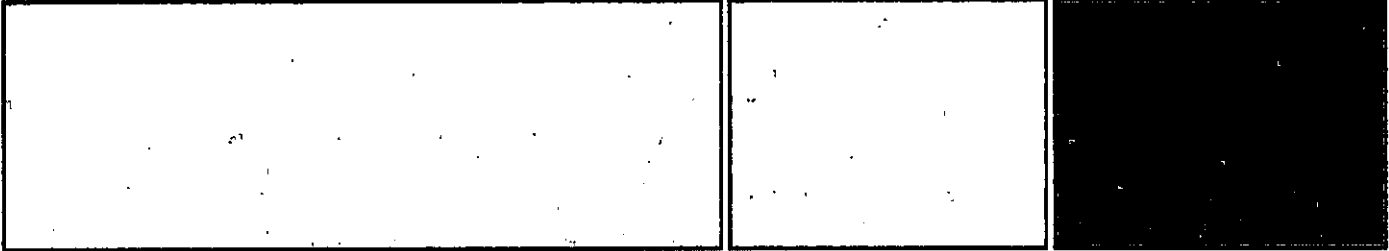
CERTIFICATE HOLDER DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>See Not</i>
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Mission

GCS believes that all people are of great value.

We provide innovative, high quality, long term services to support individuals throughout their lifetimes so they can lead meaningful lives in their communities.



CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019 and 2018

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

We have audited the accompanying consolidated financial statements of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional revenue and support, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP); this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.
Page 2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. GAAP.

Other Matter

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2019 the Organization adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Duann McNeil & Parker, LLC

Manchester, New Hampshire
October 23, 2019

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Financial Position

June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash	\$ 3,399,512	\$ 2,290,574
Client accounts	454,977	494,097
Accounts receivable, net of allowance for doubtful accounts of \$86,537 and \$113,924 in 2019 and 2018, respectively	2,776,103	3,362,365
Veterans accounts receivable, net of allowance for doubtful accounts of \$27,227 and \$30,530 in 2019 and 2018, respectively	2,058,108	2,324,931
Prepaid expenses and other current assets	<u>156,105</u>	<u>143,409</u>
Total current assets	8,844,805	8,615,376
Property and equipment, net	2,200,976	2,339,041
Deposits	111,417	111,417
Beneficial interest in an agency fund	<u>39,125</u>	<u>38,308</u>
Total assets	<u>\$ 11,196,323</u>	<u>\$ 11,104,142</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 102,070	\$ 96,009
Accounts payable	2,325,441	2,309,992
Accrued expenses and other current liabilities	1,323,788	1,281,833
Deferred revenue	1,472,655	1,558,030
Client accounts	<u>454,977</u>	<u>494,097</u>
Total current liabilities	5,678,931	5,739,961
Long-term debt, net of current portion	<u>309,256</u>	<u>471,872</u>
Total liabilities	<u>5,988,187</u>	<u>6,211,833</u>
Net assets		
Without donor restrictions	5,160,226	4,874,614
With donor restrictions	<u>47,910</u>	<u>17,695</u>
Total net assets	<u>5,208,136</u>	<u>4,892,309</u>
Total liabilities and net assets	<u>\$ 11,196,323</u>	<u>\$ 11,104,142</u>

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

**For the Year Ended June 30, 2019
(With Comparative Totals for the Year Ended June 30, 2018)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
Revenue and support				
Medicaid	\$ 44,984,317	\$ -	\$ 44,984,317	\$ 41,813,687
New Hampshire Department of Developmental Services	1,372,853	-	1,372,853	1,404,307
Veterans individual program service	3,155,719	-	3,155,719	3,387,092
Contributions and grants	1,091,565	43,754	1,135,319	1,059,729
Client fees	206,890	-	206,890	186,604
Adult day service program	150,725	-	150,725	204,079
Rental income	47,122	-	47,122	41,825
Other revenues	321,458	-	321,458	516,043
The PLUS Company, Inc. services	122,004	-	122,004	131,996
United Way	12,273	-	12,273	13,471
Third party insurance	2,000,487	-	2,000,487	1,401,349
Production sales and service	138,986	-	138,986	175,215
Net assets released from restrictions	<u>13,539</u>	<u>(13,539)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>53,617,938</u>	<u>30,215</u>	<u>53,648,153</u>	<u>50,335,397</u>
Operating expenses				
Program services				
Adult services	40,060,017	-	40,060,017	37,889,769
Children services	4,806,777	-	4,806,777	4,293,965
Elder services	<u>5,084,815</u>	<u>-</u>	<u>5,084,815</u>	<u>4,837,583</u>
Total program services	<u>49,951,609</u>	<u>-</u>	<u>49,951,609</u>	<u>47,021,317</u>
Supporting services				
General management	3,152,854	-	3,152,854	2,742,000
Fundraising	<u>227,863</u>	<u>-</u>	<u>227,863</u>	<u>200,314</u>
Total supporting services	<u>3,380,717</u>	<u>-</u>	<u>3,380,717</u>	<u>2,942,314</u>
Total operating expenses	<u>53,332,326</u>	<u>-</u>	<u>53,332,326</u>	<u>49,963,631</u>
Change in net assets	285,612	30,215	315,827	371,766
Net assets, beginning of year	<u>4,874,614</u>	<u>17,695</u>	<u>4,892,309</u>	<u>4,520,543</u>
Net assets, end of year	<u>\$ 5,160,226</u>	<u>\$ 47,910</u>	<u>\$ 5,208,136</u>	<u>\$ 4,892,309</u>

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

Year Ended June 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and support			
Medicaid	\$41,813,687	\$ -	\$41,813,687
New Hampshire Department of Developmental Service	1,404,307	-	1,404,307
Veterans individual service program	3,387,092	-	3,387,092
Contributions and grants	1,052,111	7,618	1,059,729
Client fees	186,604	-	186,604
Adult day service program	204,079	-	204,079
Rental income	41,825	-	41,825
Other revenues	516,043	-	516,043
The PLUS Company, Inc. services	131,996	-	131,996
United Way	13,471	-	13,471
Third party insurance	1,401,349	-	1,401,349
Production sales and service	175,215	-	175,215
Net assets released from restrictions	<u>20,227</u>	<u>(20,227)</u>	<u>-</u>
Total revenue and support	<u>50,348,006</u>	<u>(12,609)</u>	<u>50,335,397</u>
Operating expenses			
Program services			
Adult services	37,889,769	-	37,889,769
Children services	4,293,965	-	4,293,965
Elder services	<u>4,837,583</u>	<u>-</u>	<u>4,837,583</u>
Total program services	<u>47,021,317</u>	<u>-</u>	<u>47,021,317</u>
Supporting services			
General management	2,742,000	-	2,742,000
Fundraising	<u>200,314</u>	<u>-</u>	<u>200,314</u>
Total supporting services	<u>2,942,314</u>	<u>-</u>	<u>2,942,314</u>
Total operating expenses	<u>49,963,631</u>	<u>-</u>	<u>49,963,631</u>
Change in net assets	384,375	(12,609)	371,766
Net assets, beginning of year	<u>4,490,239</u>	<u>30,304</u>	<u>4,520,543</u>
Net assets, end of year	<u>\$ 4,874,614</u>	<u>\$ 17,695</u>	<u>\$ 4,892,309</u>

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2019

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Total Area Agency Revenues	Area Agency Properties	Eliminations	Total Program Services
Medicaid	\$ -	\$ -	\$ 41,832,970	\$ 2,135,903	\$ 1,015,444	\$ 44,984,317	\$ -	\$ -	\$ 44,984,317
New Hampshire Department of Developmental Services	-	-	571,231	801,822	-	1,372,853	-	-	1,372,853
Veterans individual service program	-	-	-	-	3,155,719	3,155,719	-	-	3,155,719
Contributions and grants	-	114,074	22,390	71,051	927,804	1,135,319	-	-	1,135,319
Client fees	-	-	189,509	-	-	189,509	17,381	-	206,890
Adult day service program	-	-	-	-	150,725	150,725	-	-	150,725
Rental income	-	-	47,122	-	-	47,122	409,788	(409,788)	47,122
Other revenues	32,672	847	158,571	93,415	35,926	321,431	27	-	321,458
The PLUS Company, Inc. service	120,250	18	1,278	375	83	122,004	-	-	122,004
United Way	-	-	1,109	-	11,164	12,273	-	-	12,273
Third party insurance	-	-	-	2,000,487	-	2,000,487	-	-	2,000,487
Production sales and service, Management fees	30,210	-	30,303	78,473	-	138,986	-	-	138,986
	-	-	77,538	-	-	77,538	-	(77,538)	-
Total revenue and support	<u>\$ 183,132</u>	<u>\$ 114,939</u>	<u>\$ 42,932,021</u>	<u>\$ 5,181,326</u>	<u>\$ 5,296,865</u>	<u>\$ 53,708,283</u>	<u>\$ 427,196</u>	<u>\$ (487,326)</u>	<u>\$ 53,648,153</u>

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2018

	<u>General Management</u>	<u>Fundraising</u>	<u>Adult Services</u>	<u>Children Services</u>	<u>Elder Services</u>	<u>Total Area Agency Revenues</u>	<u>Area Agency Properties</u>	<u>Eliminations</u>	<u>Total Program Services</u>
Medicaid	\$ -	\$ -	\$ 39,186,465	\$ 2,095,343	\$ 531,879	\$ 41,813,687	\$ -	\$ -	\$ 41,813,687
New Hampshire Department of Developmental Services	-	-	596,670	807,637	-	1,404,307	-	-	1,404,307
Veterans individual service program	-	-	-	-	3,387,092	3,387,092	-	-	3,387,092
Contributions and grants	-	71,691	26,001	48,354	913,683	1,059,729	-	-	1,059,729
Client fees	-	-	175,396	-	-	175,396	11,208	-	186,604
Adult day service program	-	-	-	-	204,079	204,079	-	-	204,079
Rental income	-	-	41,825	-	-	41,825	436,307	(436,307)	41,825
Other revenues	1,947	2,513	222,131	255,981	33,405	515,977	66	-	516,043
The PLUS Company, Inc. services	130,244	17	1,311	367	57	131,996	-	-	131,996
United Way	-	-	1,588	-	11,883	13,471	-	-	13,471
Third party insurance	-	-	-	1,401,349	-	1,401,349	-	-	1,401,349
Production sales and service	27,789	-	61,840	85,586	-	175,215	-	-	175,215
Management fees	-	-	77,538	-	-	77,538	-	(77,538)	-
Total revenue and support	\$ 159,980	\$ 74,221	\$ 40,390,765	\$ 4,894,617	\$ 5,082,078	\$ 50,401,661	\$ 447,581	\$ (513,845)	\$ 50,335,397

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2019

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Area Agency Expenses	Area Agency Properties	Eliminations	Total Program Expenses
Payroll and related expenses									
Salaries and wages	\$ 1,702,851	\$ 109,780	\$ 3,095,826	\$ 2,837,664	\$ 3,253,447	\$ 10,999,368	\$ -	\$ -	\$ 10,999,368
Contract staff	30,888	-	21,480	-	-	52,468	7,236	-	59,704
Employee benefits	486,486	28,684	615,455	614,683	252,331	1,997,599	-	-	1,997,599
Payroll taxes	114,120	8,239	231,017	212,620	247,593	813,589	-	-	813,589
Total payroll and related expenses	2,334,445	146,683	3,963,578	3,664,947	3,753,371	13,863,024	7,236	-	13,870,260
Other expenses									
Client treatment services	400	-	3,873,806	628,960	720,711	5,223,677	-	-	5,223,677
Professional fees	476,210	17,246	478,734	98,716	448,192	1,519,098	-	-	1,519,098
Staff development and training	46,154	4,804	67,973	13,570	4,338	136,839	-	-	136,839
Rent and mortgage interest	22,138	1,600	371,494	142,891	96,715	634,838	16,988	(409,788)	242,038
Other occupancy costs	-	-	-	-	-	-	28,681	-	28,681
Utilities	4,929	356	25,207	30,330	1,633	62,455	4,887	-	67,342
Repairs and maintenance	7,342	531	123,788	50,430	2,433	184,524	168,444	(77,538)	275,430
Office, building and household	23,898	3,977	51,624	45,527	8,838	133,862	465	-	134,327
Equipment rental	8,558	552	39,029	11,448	4,027	63,614	-	-	63,614
Advertising	8,319	12,511	5,290	3,794	333	30,247	-	-	30,247
Communications	8,053	247	21,922	13,831	8,023	52,076	-	-	52,076
Transportation	7,298	22	153,170	42,191	23,041	225,722	119	-	225,841
Insurance	22,708	544	38,509	11,831	3,028	76,620	20,820	-	97,440
Other	183,539	38,861	69,876	34,611	18,894	345,781	78	-	345,857
Subcontractor	-	-	30,832,496	15,540	-	30,848,036	-	-	30,848,036
Total other expenses	819,546	81,251	36,152,718	1,143,670	1,340,204	39,537,389	240,480	(487,326)	39,290,543
Total operating expenses before depreciation and Area Agency Properties and elimination allocations	3,153,991	227,934	40,116,296	4,808,617	5,093,575	53,400,413	247,716	(487,326)	53,180,803
Depreciation	4,805	347	24,861	7,208	1,592	38,813	132,710	-	171,523
Area Agency Properties expense allocation	21,149	1,487	288,752	32,198	36,840	380,426	(380,426)	-	-
Elimination allocation	(27,091)	(1,905)	(369,892)	(41,246)	(47,192)	(487,326)	-	487,326	-
Total operating expenses	\$ 3,152,854	\$ 227,863	\$ 40,060,017	\$ 4,806,777	\$ 5,084,815	\$ 53,332,326	\$ -	\$ -	\$ 53,332,326

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2018

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Area Agency Expenses	Area Agency Properties	Eliminations	Total Program Expenses
Payroll and related expenses									
Salaries and wages	\$ 1,444,299	\$ 91,254	\$ 3,212,954	\$ 2,445,982	\$ 2,959,547	\$ 10,154,036	\$ -	\$ -	\$ 10,154,036
Contract staff	88,975	-	20,377	19,834	-	129,186	7,236	-	136,422
Employee benefits	332,694	28,622	815,284	535,331	195,678	1,907,607	-	-	1,907,607
Payroll taxes	91,270	6,469	230,077	175,012	223,097	725,925	-	-	725,925
Total payroll and related expenses	1,957,238	126,345	4,278,692	3,179,159	3,378,320	12,916,754	7,236	-	12,923,990
Other expenses									
Client treatment services	-	-	3,818,526	669,603	820,690	5,108,819	-	-	5,108,819
Professional fees	438,871	7,538	397,099	86,310	506,180	1,435,998	-	-	1,435,998
Staff development and training	40,286	5,489	39,642	14,589	1,338	101,344	-	-	101,344
Rent and mortgage interest	23,573	1,565	392,300	130,720	92,055	640,213	22,943	(436,307)	226,849
Other occupancy costs	-	-	-	-	-	-	31,675	-	31,675
Utilities	5,211	349	27,137	24,306	1,177	58,180	4,413	-	82,593
Repairs and maintenance	12,770	465	120,539	35,016	1,846	170,636	194,891	(77,538)	287,989
Office, building and household	48,598	2,364	48,071	54,023	8,742	161,798	572	-	182,370
Equipment rental	16,089	495	38,499	10,848	3,125	69,056	-	-	89,056
Advertising	5,512	17,194	557	1,325	1,000	25,588	-	-	25,588
Communications	8,465	214	26,056	9,431	4,565	48,761	-	-	46,761
Transportation	8,009	336	200,964	34,832	5,175	249,316	114	-	249,430
Insurance	20,042	396	30,776	8,812	1,699	61,525	17,328	-	78,853
Other	159,414	37,590	45,756	25,345	20,261	288,366	320	-	288,686
Subcontractor	-	-	28,673,151	13,373	-	28,686,524	-	-	28,686,524
Total other expenses	784,870	73,995	33,659,073	1,118,333	1,467,853	37,104,124	272,256	(513,845)	36,882,535
Total operating expenses before depreciation and Area Agency Properties and elimination allocations	2,742,108	200,340	37,937,765	4,294,492	4,846,173	50,020,878	279,492	(513,845)	49,766,525
Depreciation	5,542	371	29,141	8,074	1,251	44,379	132,727	-	177,106
Area Agency Properties expense allocation	22,916	1,611	312,884	34,889	39,919	412,219	(412,219)	-	-
Elimination allocation	(28,566)	(2,008)	(390,021)	(43,490)	(49,760)	(513,845)	-	513,845	-
Total operating expenses	\$ 2,742,000	\$ 200,314	\$37,889,769	\$ 4,293,965	\$4,837,583	\$ 49,963,631	\$ -	\$ -	\$ 49,963,631

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Cash received from revenue and support	\$ 54,378,267	\$ 50,554,416
Cash paid to suppliers and employees	(53,099,107)	(49,407,304)
Interest received	36,779	5,099
Interest paid	<u>(16,988)</u>	<u>(22,943)</u>
Net cash provided by operating activities	<u>1,298,951</u>	<u>1,129,268</u>
Cash flows from investing activities		
Change in deposits	-	(56,717)
Acquisition of property and equipment	<u>(33,458)</u>	<u>(68,902)</u>
Net cash used by investing activities	<u>(33,458)</u>	<u>(125,619)</u>
Cash flows from financing activities		
Proceeds from long-term debt issuance	-	200,000
Payments on long-term debt	<u>(156,555)</u>	<u>(304,392)</u>
Net cash used by financing activities	<u>(156,555)</u>	<u>(104,392)</u>
Net increase in cash	1,108,938	899,257
Cash, beginning of year	<u>2,290,574</u>	<u>1,391,317</u>
Cash, end of year	<u>\$ 3,399,512</u>	<u>\$ 2,290,574</u>
Reconciliation of change in net assets to net cash provided by operating activities		
Change in net assets	\$ 315,827	\$ 371,766
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	171,523	177,106
Change in beneficial interest in an agency fund	(817)	(2,511)
Change in assets and liabilities		
Decrease in accounts receivable	853,085	228,063
Increase in prepaid expenses and other current assets	(12,696)	(2,783)
Increase in accounts payable	15,449	109,585
Increase in accrued expenses and other current liabilities	41,955	249,476
Decrease in deferred revenue	<u>(85,375)</u>	<u>(1,434)</u>
Net cash provided by operating activities	<u>\$ 1,298,951</u>	<u>\$ 1,129,268</u>
Supplemental information		
Refinancing of long-term debt	<u>\$ -</u>	<u>\$ 160,226</u>

The accompanying notes are an integral part of these consolidated financial statements.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

Nature of Activities

Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services (Gateways) provides a comprehensive residential and service delivery system for elders and people with developmental disabilities in southern New Hampshire. Its primary funding sources are federal and state governmental programs.

Area Agency Properties, Inc. (Properties) owns various homes and commercial office space that are used as residences for clients and for general operations.

1. Summary of Significant Accounting Policies

Principles of Consolidation

U.S. generally accepted accounting principles (U.S. GAAP) requires consolidation of related organizations when common control and economic dependency exists. At June 30, 2019 and 2018, common control existed for Properties through common board members. The consolidated financial statements include the accounts of Gateways and Properties (collectively, the Organization) as required by U.S. GAAP. All material intercompany accounts and transactions have been eliminated in consolidation.

Newly Adopted Accounting Principle and Reclassifications

In 2019, the Organization adopted Financial Accounting Standards Board Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near term financial requirements. The ASU also imposes several new requirements related to reporting expenses.

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified as follows based on the existence or absence of donor-imposed restrictions:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions are to be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At June 30, 2019 and 2018, net assets with donor restrictions consisted of restricted contributions temporary in nature to be used for Elder Services, Client Care, the Adult Day Program, Partners in Health and Environmental Modifications.

All contributions are considered to be contributions without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with donor restrictions whose restrictions are met in the same year as received are reflected as net assets without donor restrictions in the accompanying financial statements.

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Gateways and Properties are tax-exempt organizations as described in Section 501(c)(3) and Section 501(c)(2), respectively, of the U.S. Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these consolidated financial statements.

AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

Cash

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. The Organization uses a reserve method to account for uncollectible accounts. A reserve for accounts receivable of \$86,537 and \$113,924 was recognized at June 30, 2019 and 2018, respectively. Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to the reserve and a credit to accounts receivable.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at their estimated value at date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	10-40 years
Furniture, equipment and vehicles	5-10 years

Deferred Revenue

The Organization's deferred revenue consists of funds received in advance from the State of New Hampshire for services to be performed at a later date.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Agency related expenses are allocated to Program, General Management and Fundraising functions based on the percentage of function direct expense to total direct expense.

Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through October 23, 2019, which is the date that the consolidated financial statements were available to be issued.

AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and a line of credit, as disclosed in Note 4.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing operating activities as well as the conduct of services undertaken to support those operating activities.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or, where appropriate, borrowings. Refer to the statements of cash flows, which identifies the sources and uses of the Organization's cash and cash equivalents and the generation of positive cash from operations for fiscal year 2019 and 2018.

The following financial assets are expected to be available within one year of the statement of financial position date to meet general expenditures as of June 30:

	<u>2019</u>	<u>2018</u>
Cash	\$ 3,399,512	\$ 2,290,574
Accounts receivable, net	2,776,103	3,362,365
Veterans accounts receivable, net	<u>2,058,108</u>	<u>2,324,931</u>
Total financial assets	8,233,723	7,977,870
Less amounts not available for general expenditures:		
Net assets with donor restrictions	<u>47,910</u>	<u>17,695</u>
Financial assets available to meet general expenditures within one year	<u>\$ 8,185,813</u>	<u>\$ 7,960,175</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2019</u>	<u>2018</u>
Land and improvements	\$ 604,520	\$ 604,520
Building improvements	3,606,425	3,572,967
Vehicles	14,452	14,452
Equipment and furniture	<u>496,932</u>	<u>496,932</u>
	4,722,329	4,688,871
Less accumulated depreciation	<u>(2,521,353)</u>	<u>(2,349,830)</u>
	<u>\$ 2,200,976</u>	<u>\$ 2,339,041</u>

4. Line of Credit

Gateways has available an unsecured line of credit, with maximum borrowing of \$2,000,000. Interest is due monthly. The agreement provides that any borrowings are due on demand and bear interest at the lender's base rate (5.50% at June 30, 2019). The Organization had no outstanding balance at June 30, 2019 and 2018. The line of credit is due for renewal on February 28, 2020.

5. Long-Term Debt

Long-term debt consisted of the following:

	<u>2019</u>	<u>2018</u>
New Hampshire Health and Education Facilities Authority note payable, due in monthly installments of \$3,419 including interest at 1.00%, through June 2023; collateralized by a first position lien on land and buildings.	\$ 160,852	\$ 200,000
Mortgage note payable in second position, due in monthly installments of \$1,670 including interest at 4.56%, through June 2028; management expects to repay by June 2024; collateralized by a second lien position on land and buildings.	86,770	160,226
Mortgage note, payable in monthly installments of \$2,408 including interest at 3.75%, through January 2022; collateralized by real estate.	71,638	97,171

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

Mortgage note, payable in monthly installments of \$1,928 including interest at 4.55%, through November 2023; collateralized by real estate.	<u>92,066</u>	<u>110,484</u>
	411,326	567,881
Less current portion	<u>(102,070)</u>	<u>(96,009)</u>
Long-term debt, net of current portion	<u>\$ 309,256</u>	<u>\$ 471,872</u>

Long-term debt maturities for the next five years are as follows:

2020	\$	102,070
2021		105,416
2022		96,499
2023		81,881
2024		25,460

Certain notes payable of Properties contain financial covenants, which require that Properties maintain a debt service coverage ratio, as defined, of 1.2:1. Properties was in compliance with the debt service coverage ratio as of June 30, 2019 and 2018.

6. Concentration of Credit Risk

For the years ended June 30, 2019 and 2018, approximately 84% and 83%, respectively, of revenue and support of the Organization was derived from contracts with the State of New Hampshire's Medicaid program. As of June 30, 2019 and 2018, accounts receivable due from the State of New Hampshire's Medicaid Program was approximately 44% and 46%, respectively.

7. Affiliate

The Organization has an affiliation agreement with The PLUS Company, Inc. (PLUS) which provides for the sharing of certain administrative functions. For the years ended June 30, 2019 and 2018, approximately 69% of the revenue and support generated by PLUS was subcontracted from Gateways, making PLUS financially dependent on Gateways.

U.S. GAAP requires consolidation of related organizations when common control and economic dependency exists. At June 30, 2019 and 2018, common control did not exist. However, due to the significant concentration of revenues generated by Gateways, economic dependence remains. As such consolidation in 2019 and 2018 is allowed but not required. The Organization's general purpose combined financial statements, which are presented separately from these financial statements, include the accounts of PLUS because it was deemed to provide a meaningful presentation.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

The following is summarized financial data of PLUS:

	<u>2019</u>	<u>2018</u>
Total assets	\$ <u>4,164,388</u>	\$ <u>4,290,763</u>
Total liabilities	\$ <u>2,337,070</u>	\$ 2,548,191
Total net assets	<u>1,827,318</u>	<u>1,742,572</u>
Total liabilities and net assets	\$ <u>4,164,388</u>	\$ <u>4,290,763</u>
Total revenue and support	\$13,394,711	\$12,966,112
Total operating expenses	<u>13,309,965</u>	<u>12,889,215</u>
Change in net assets	\$ <u>84,746</u>	\$ <u>76,897</u>
Due to PLUS included in accounts payable	\$ <u>456,005</u>	\$ <u>480,756</u>
PLUS services support included in subcontractor expense	\$ <u>9,241,399</u>	\$ <u>8,896,105</u>

8. Retirement Plan

The Organization maintains a qualified 403(b) retirement plan (the Plan) which covers all employees who have reached the age of 21 and completed 1,000 hours of service during the Plan year. The Plan provides for matching contributions at the discretion of the Organization. Additionally, the plan allows for additional discretionary contributions to be made to the plan. The total matching contributions charged to operations for the Plan were \$184,071 and \$176,835 for the years ended June 30, 2019 and 2018, respectively.

9. Funds Held by Others

The Organization is a beneficiary of a designated fund maintained at the New Hampshire Charitable Foundation (NHCF). Pursuant to the terms of the resolution establishing this designated fund, property contributed by unrelated parties to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF has been granted the power to redesignate the funds contributed by unrelated parties, if the Organization is incapable of fulfilling its mission. The designated fund is not included in these consolidated financial statements, since NHCF has the ability to redesignate funds contributed by unrelated parties. The total market value of the designated fund was approximately \$516,000 at June 30, 2019 and \$504,000 at June 30, 2018.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2019 and 2018

The Organization is also a beneficiary of an agency fund at NHCF. Pursuant to the terms of the resolution establishing this agency fund, property contributed by the Organization to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF does not have the power to redesignate the funds contributed by the Organization. At June 30, 2019 and 2018, the estimated value of the future distributions from the agency fund in the amount of \$39,125 and \$38,308, respectively, is included in the consolidated statements of financial position as beneficial interest in an agency fund.

In accordance with its spending policy, NHCF will make annual distributions of approximately 5% of the market value which will be equally divided between the beneficiaries once the funds have reached an agreed upon minimum market value of \$1,000,000. There were no distributions from the funds in 2019 and 2018.

10. Fair Value Measurements

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of the Organization's beneficial interest in an agency fund is categorized as a Level 3 measurement because the interest is not marketable. The fair value of the assets held in the agency fund is based on the quoted market prices of the underlying assets. Due to the level of risk associated with the fair value of the underlying securities and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the consolidated statements of financial position. Changes in fair value of the Organization's beneficial interest in the agency fund consisted of appreciation of \$817 and \$2,511 for the years ended June 30, 2019 and 2018, respectively.

GATEWAYS COMMUNITY SERVICES

BOARD OF DIRECTORS

Updated May 26, 2020

Mark Thornton* – Chair
Joe Gamache* – Vice Chair
Jim Moran – Treasurer
Helen Honorow – Secretary

Leah Brokhoff
Edgar Carter
Bob Corcoran*
Bonnie Dunham
Peggy Gilmour
Lucille Jordan
Jim McKenna
Rich Pietravalle*
Lauren Primmer*
Lou Primmer*
Sharron Rowlett-Moore
Marc Sadowsky
Lisa Scheib
Amy Wheeler Teas
Parker Thornton*
Jessica Wojcik

**indicates consumer*

SANDRA B. PELLETIER

Gateways Community Services | 144 Canal Street, Nashua, NH 03064 | 603-882-6333
spelletier@gatewayscs.org | www.gatewayscs.org

PROFESSIONAL SUMMARY

Chief Executive Officer of a non-profit organization for the past 30 years. Experience includes hands-on leadership in all development phases of a community-based service delivery system (second largest of ten regions within the State of New Hampshire). Extensive background in all aspects of non-profit organization and oversight. Responsibilities include executive and financial management; initiation of a close-knit affiliation between the Gateways and PLUS Company Boards of Directors, structuring and nurturing of community and civic partnerships between Gateways, a myriad of vendors and sponsors, grant writing, strategic planning and total quality management. Experience also involves re-engineering, including new development and mergers, and significant involvement in redefining public policy vis-à-vis the legislative process. Consultant to other states in the field of developmental disabilities and elder participant driven services.

EDUCATION

Leadership New Hampshire Certificate - Intensive 10-month statewide leadership development program (seminar format)	1994
Antioch College Management Institute, Keene, NH Certificate - Management of Non-Profit Agencies	1983
University of New Hampshire, Durham, NH M.Ed.	1979
University of Maine, Orono, ME B.A. Summa cum Laude, Phi Beta Kappa	1977

PERSONAL AWARDS

25 Extraordinary Women – The Telegraph, Nashua, NH	2013
Easter Seals Special Achievement in the area of developmental services	2003
“Citizen of the Year” designate, The PLUS Company, Nashua, NH	2001
Recipient, “Book of Golden Deeds Award” from the Nashua Exchange Club	1991
Recipient, “Distinguished Service Award in the field of Developmental Disabilities”	1989

CORPORATE AWARDS

Business NH Magazine – 2016 Non-Profit Business of the Year	2016
Recognized nationally as the primary entrepreneurial leaders for Consumer Directed Services	2012
By the Center on Human Policy, Syracuse University	
Recipient of “The Walter J. Dunfey Award for Excellence in Management” from the New Hampshire Charitable Foundation – The Corporate Fund	1990

EXPERIENCE

Gateways Community Services, Nashua, NH
President/CEO 1983 – Present

Oversees a \$55 million private non-profit corporation (including subsidiary The PLUS Company), recognized nationally as a highly effective model of delivery, and one promoting community participant driven services. Responsibilities include executive oversight and fiscal management of new development, operations, and maintenance of a continuum of services to over 4000 children and adults with disabilities, their families, and elders in need of long-term care in the State of New Hampshire and Massachusetts. Gateways is supported by the State’s general funds, Federal Medicaid billings, Insurance dollars, and Development dollars

Board Memberships

SHARE Outreach	2015 – Present
Rotary of Nashua West	2002 – Present
The PLUS Company, Nashua, NH	1996 – Present
CSNI, Concord, NH (founding Board Chair)	1995 – Present
New Futures	2015 – 2018
Regional Special Education Consortium, Amherst, NH	1992 – 2015
Endowment for Health Foundation – President of the Board	2012 – 2014

TIMOTHY A. LEACH, C.P.A.

CHIEF FINANCIAL OFFICER

Professional capable of immediate impact on organization's issues with respect to finance/fiscal operations, corporate tax, audit, budget preparation, revenue recognition, reporting and compliance, data analysis, strategic and organizational planning, business operations and administration.

SUMMARY OF QUALIFICATIONS

M.B.A., C.P.A. with extensive professional experience in financial/fiscal operations, performance and business analysis, compliance, staff development and training, business operations and administration. Bottom-line individual with a solid track record for increasing operational efficiency, generating cost savings and contributing to company profits. Demonstrated ability to coordinate and manage multiple complex projects simultaneously. Designed/implemented policies and procedures with respect to business, finance/fiscal operations and administration. Proven ability to interface with all levels of an organization, to lead, to motivate and to get the job done. Reliable, goal-oriented achiever, innovative problem solver, and effective decision-maker. Excellent communication, leadership, interpersonal, presentation and organizational skills.

Expertise and knowledge in financial areas such as:

- | | | |
|-------------------------------------|-----------------------------|---------------------|
| - Certified Public Accountant | - Audits/Internal Controls | - Policy Design |
| - International Operations | - Finance/Fiscal Operations | - Budgeting |
| - Strategic/Organizational Planning | - Revenue Recognition | - Corporate Tax |
| - Foreign Currency Translations | - System Implementation | - Staff Development |
| - Consolidated Financials | - Procurement of Goods | - Asset Management |

SELECTED ACCOMPLISHMENTS

IMPROVED consolidated financial statement timeliness and accuracy by reducing cycle time by three days through process improvements despite headcount reductions. The consolidated financials include American, European, and Asian operations. The financial statement and narrative summary are completed within six workdays of month end for presentation to the Board of Directors.

COORDINATED annual audit and tax return prepared by Ernst & Young resulting in savings of \$15K. Responsible for preparing consolidated financial statements through supporting documentation including footnotes for American, European, and Asian operations. Corporate tax includes six state returns.

DEVELOPED accounts receivable policies and procedures and initiated billing to worldwide customers. Responsible for global billing, collecting, and establishing customer credit limit. Billing is generated within two working days of month end. One hundred percent of billings have been collected to date.

SUCCESSFULLY implemented three new accounting systems for organizations. Also served as part of organization-wide implementation team to coordinate all applications throughout firm.

TIMOTHY A. LEACH, C.P.A.

PROFESSIONAL EXPERIENCE

AREA AGENCY OF GREATER NASHUA, INCORPORATED, Nashua, NH 2003 – Present

Chief Financial Officer

- Responsible for the day to day business operations of the Area Agency.

ACCELLION INCORPORATED, Auburn, NH (Global Internet Start Up) 2001 – 2003

Senior Finance Manager

- Promoted to Senior Finance Manager within six months.
- Prepared monthly consolidated financial statements for Board of Directors, including consolidation of American, Asian, and European operations; and maintain a level of proficiency in foreign currency exchange transactions.
- Monitored cash on a daily basis; reported weekly cash forecast (American, European, and Asian) to CFO for global operations; monitored global budget; and monitored global accounting policies and procedures; and prepared annual audit and corporate tax returns including multiple states returns.
- Managed all accounts receivable, including functions such as new client set-up, billing, follow-up, customer relations, and collections.

Senior Accountant

- Implemented General Ledger, Accounts Payable/Receivable functions for a global Internet start-up.
- Prepared monthly close of American operations including preparation and posting of all required journal entries.
- Installed Best Fixed Asset System software for asset tracking; monitored all worldwide fixed assets.

MONADNOCK COMMUNITY HOSPITAL, Peterborough, NH 1989 – 2000

Accounting Manager

- Supervised the Accounting and Accounts Payable functions of the Hospital and prepared monthly financial and statistical information for Management, Board of Trustees, and Affiliated Healthcare entities.
- Served as Hospital resource for all financial issues; prepared and monitored operating and capital budgets; handled all receipts and disbursements; monitored cash position of a daily basis; maintained the fixed asset system; and oversaw the processing of accounts payable invoices for payment; managed the Hospital insurance policies (Workers Compensation, Property, and Umbrella), including the functions of contracting, monitoring, and upgrading the Hospital insurance portfolio.
- Chaired capital budget, investment, management information system, condo association, and Y2K committees; active member of strategic operations, finance, resource, and leadership committees.
- Presented monthly financial statements to the Board of Trustees, Finance Committee, and Leadership Group and acted as liaison for all financial matters pertaining to the Hospital as Interim Chief Financial Officer from February through April 2000.

PURDY, BORNSTEIN, HAMEL & BURRELL CPA's, Salem, NH 1988 – 1989

Senior and Staff Accountant

- Performed audit, review, and compilation engagements; prepared corporate, partnership, and personal tax returns.

EDUCATION

Master of Business Administration, New Hampshire College, Manchester, NH
Bachelor of Science in Accounting, New Hampshire College, Manchester, NH

LICENSE/CERTIFICATION

Licensed Certified Public Accountant in the State of New Hampshire

ASSOCIATIONS/AFFILIATIONS

New Hampshire Society of CPAs, Milford Community Athletic Association (MCAA) Coach,
Volunteer – Nashua Soup Kitchen

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Sandra Pelletier	President/CEO	\$193,500	0%	\$0.00
Timothy Leach	CFO	\$120,000	0%	\$0.00

Subject: Adult Day Program Services (RFA-2021-DLTSS-02-ADULT-03)

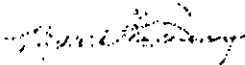
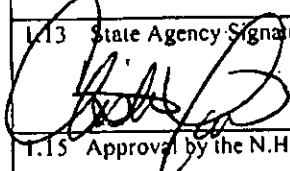
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name VNA at HCS, Inc.		1.4 Contractor Address 312 Marlboro Street Keenc, NH 03431	
1.5 Contractor Phone Number (603) 352-2253	1.6 Account Number 05-95-48-481010-7872-540-500382; 05-95-48-481010-9255-566500918; 05-95-48-481010-1917-102-500731	1.7 Completion Date June 30, 2022	1.8 Price Limitation \$274,080
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 6/8/2020		1.12 Name and Title of Contractor Signatory Maura McQueeney, President/CEO	
1.13 State Agency Signature  Date: 6-8-2020		1.14 Name and Title of State Agency Signatory Christine Toppan, Associate Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>Catherine Pinos</u> On: <u>06/10/20</u>			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



EXHIBIT A

REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:
 - 3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2020 ("Effective Date").
- 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two (2) of years additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.



EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services under this Agreement for individuals who are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, or who are not eligible for other New Hampshire Medicaid services, or who are not receiving the same or similar services through the Veterans' Administration.
- 1.2. For the purposes of this agreement, all references to days shall mean calendar days.
- 1.3. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from (8:00 am to 5:00 pm), excluding state and federal holidays.
- 1.4. The Contractor shall provide Adult Day Program Services in Keene, New Hampshire.
- 1.5. The Contractor shall be licensed as an adult day program in accordance with RSA 151:2 I (f) and as governed by New Hampshire Code of Administrative Rules Part He-P 818, Adult Day Programs.
- 1.6. The Contractor shall provide services in accordance with New Hampshire Administrative Rule He-E 501, The Social Services Block Grant (Title XX) and New Hampshire Administrative Rule He-E 502, The Older American Act Services: Title IIIB Supportive Services, governing Adult Day Program Services.
- 1.7. The Contractor shall provide services and administration of the program in accordance with the applicable federal and state laws, NH Administrative Rules He-E 501 and He-E 502, policies and regulations adopted by the Department currently in effect, and as they may be adopted or amended during the contract period.
- 1.8. The Contractor shall provide services in a supervised setting for fewer than twelve (12) hours a day to individuals 18 years of age and older, based on an individual's needs, which may include, but are not limited to:
 - 1.8.1. Assistance with activities of daily living.
 - 1.8.2. Nursing care and rehabilitation services.
 - 1.8.3. Recreational, social, cognitive and physical stimulation activities.
 - 1.8.4. Monitoring of the individual's condition
 - 1.8.5. Counseling, as appropriate, on nutrition, hygiene or other related matters.
 - 1.8.6. Referrals to other services and resources as necessary.
 - 1.8.7. Assistance and support to caregiving families





EXHIBIT B

- 1.9. The State reserves the right to require services to be concurrently provided in facilities and in an alternative setting. The Contractor may:
 - 1.9.1. Provide adult day program services in an alternative setting approved by the Department, during a declaration of emergency or disaster issued by the Governor. The Contractor shall:
 - 1.9.1.1. Comply with all laws, rules, and guidance in accordance with the State of New Hampshire and the federal Older American Act Services.
 - 1.9.1.2. Comply with guidelines from the Centers for Disease Control and Prevention (CDC) and the Department, as directed by the Department during emergencies.
 - 1.9.1.3. Obtain Department consent for modifications due to suspended in-facility services.
 - 1.9.1.4. Provide services in accordance with guidance from the Department that include, but are not limited to:
 - 1.9.1.4.1. Continuation of certain services, telephonically or via video chat, to individuals currently receiving services.
 - 1.9.1.4.2. Completion of the Daily Care Connection form issued by the Department for each remote contact with a participant.
- 1.10. The Contractor shall provide services to individuals referred by:
 - 1.10.1. The Adult Protection Program.
 - 1.10.2. Direct application to the Contractor for services.
 - 1.10.3. NH ServiceLink Resource Centers and other community agencies.
 - 1.10.4. Self-referral.
- 1.11. The Contractor shall conduct an expedited intake for individuals referred by the Adult Protection Program in accordance with the NH Administrative Rules He-E 501 and 502, which include, but are not limited to:
 - 1.11.1. Waiving application, determination and redetermination requirements.
 - 1.11.2. Utilizing information provided by Adult Protective Program staff to provide appropriate services.
 - 1.11.3. Reporting suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law.
 - 1.11.4. Making a good-faith effort to ensure the provision of services.

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EXHIBIT B

- 1.11.5. Informing the referring Adult Protective Program staff of any changes to the referred individual's situation, or other concerns.
- 1.12. The Contractor shall determine eligibility for services, and complete an intake and an application for services for individuals who apply directly to the Contractor, in accordance with NH Administrative Rules He-E 501 and 502.
- 1.13. The Contractor shall provide written notice of eligibility to each individual who applies to the Contractor for services no later than forty-five (45) days from the date eligibility is determined, which includes, but is not limited to:
 - 1.13.1. Services to be provided including frequency; and
 - 1.13.2. Beginning and end dates for the period of eligibility; or
 - 1.13.3. If the individual is determined to not be eligible for service(s), the notice shall include, but is not limited to:
 - 1.13.3.1. The reason(s) for the denial;
 - 1.13.3.2. A statement regarding the right of the individual or his or her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 1.13.3.3. Contact information for requesting an administrative hearing, as described in New Hampshire Administrative Rule He-E 501.11.
- 1.14. The Contractors shall use the Department's Form 3000 application when determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX).
- 1.15. The Contractor shall submit its policies and procedures for client eligibility determination and redetermination to the Department for review and approval, within 30 days of the start of each State Fiscal Year. The Contractor shall:
 - 1.15.1. Terminate services when:
 - 1.15.1.1. The individual or his or her authorized representative requests that the services be terminated.
 - 1.15.1.2. The individual no longer meets the eligibility requirements for services.
 - 1.15.1.3. Funding by the State for the service(s) is no longer available.
 - 1.15.1.4. The individual did not reapply for services as required by program rules.
 - 1.15.1.5. The individual is admitted to a nursing home or residential care facility.
 - 1.15.2. Request a service authorization from the Department for each individual determined eligible for services.



EXHIBIT B

- 1.15.3. Submit a completed Form 3502 "Contract Service Authorization-New Authorization," in accordance with NH Administrative rule He-E 501.15, for each client determined eligible for services. The completed Form 3502 may include more than one services and shall be submitted to:

Bureau of Data Management
129 Pleasant Street
Concord, NH 03301

- 1.15.4. Assess each individual's needs and develop a written service plan; maintain written progress notes; and monitor and adjust the service plans to meet the individual's needs, in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 1.15.5. Incorporate the following Guiding Principles for Person-Centered Planning Philosophy into agency functions, policies, and staff-client interactions when providing services::
- 1.15.5.1. Individuals and families are invited, welcomed, and supported as full participants in service planning and decision-making.
 - 1.15.5.2. Individual's wishes, values, and beliefs are considered and respected.
 - 1.15.5.3. Individual is listened to; needs and concerns are addressed.
 - 1.15.5.4. Individual receives the information he/she needs to make informed decisions.
 - 1.15.5.5. Planning is responsive to the individual. His or her preferences drive the planning process, though the decision making process may need to be accelerated to respond to emergencies.
 - 1.15.5.6. Services are designed, scheduled, and delivered to best meet the needs and preferences of the individual.
 - 1.15.5.7. The system is committed to excellence and quality improvement.
 - 1.15.5.8. Individual rights are affirmed and protected.
 - 1.15.5.9. Individuals are protected from exploitation, abuse, and neglect.
 - 1.15.5.10. The service system is accessible, responsive, and accountable to the individual.



EXHIBIT B

- 1.15.6. Maintain a level of staffing necessary to perform and provide the functions, requirements, roles, and duties in a timely fashion for the number of clients identified in this Agreement.
- 1.15.7. Develop and submit its written Staffing Contingency Plan to the Department within 30 days of contract approval date, which includes, but is not limited to:
 - 1.15.7.1. The process for replacing personnel in the event of loss of personnel during contract period.
 - 1.15.7.2. A description of how additional staff resources will be allocated to support contract services in the event of inability to meet any performance standard.
 - 1.15.7.3. A description of time frames necessary for obtaining staff replacements.
 - 1.15.7.4. An explanation of capabilities to provide, in a timely manner, staff replacements and/or additions with comparable experience.
 - 1.15.7.5. A description of the method for training new staff members performing contract services.
- 1.15.8. Verify each staff member and each volunteer completes appropriate orientation and training; has the required education; and has the appropriate experience to fulfill the responsibilities of their respective position. The Contractor shall maintain all relevant documents, including, but not limited to:
 - 1.15.8.1. Current personnel records.
 - 1.15.8.2. Training records.
 - 1.15.8.3. Licenses.
 - 1.15.8.4. Certifications.
- 1.16. The Contractor shall maintain a system for tracking, resolving, and reporting client complaints relative to services, processes, procedures, and staff. The Contractor shall provide a written record of all complaints to the Department, upon request, ensuring the information includes, but is not limited to:
 - 1.16.1. Individual's name.
 - 1.16.2. Type of service.
 - 1.16.3. Date of complaint.
 - 1.16.4. A description of the complaint.
 - 1.16.5. Resolution to the complaint.
 - 1.16.6. Notice of right to appeal.

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EXHIBIT B

- 1.17. The Contractor shall complete a criminal background check for each staff member or volunteer who interacts with or provides hands-on care to individuals in compliance with the requirements of NH Administrative Rule He-P 818, Adult Day Programs.
- 1.18. The Contractor shall not commence delivery of services prior to the receipt by the Department of documentation required in Subsection 1.17, above.
- 1.19. The Contractor shall develop a survey, to be approved by the Department, and conduct a survey of individuals receiving services, via telephone, mail, e-mail, or face-to-face.
- 1.20. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services.
- 1.21. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services, in accordance with NH Administrative Rule He-E 501.10, in the event that:
 - 1.21.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 1.21.2. The Contractor terminates a service or services for any reason; or
 - 1.21.3. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

2. Exhibits Incorporated

- 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Reporting Requirements

- 3.1. The Contractor shall submit quarterly reports on the provision of Adult Day Care services to the Department, on a pre-defined electronic form supplied by the Department. The Contractor shall:
 - 3.1.1. Submit reports to the Department no later than the 15th day of the month following the end of each quarter.
 - 3.1.2. Ensure each report includes, but is not limited to:



EXHIBIT B

- 3.1.2.1. Total expenses.
- 3.1.2.2. Revenue.
- 3.1.2.3. Actual Units served, sorted by funding source.
- 3.1.2.4. Number of unduplicated clients served, sorted by funding source.
- 3.1.2.5. Number of Title III and Title XX clients served with funds not provided by the Department.
- 3.1.2.6. Unmet need/waiting list.
- 3.1.2.7. Length of time clients are on a waiting list.
- 3.1.2.8. A narrative description of activities during the previous quarter, which shall include, but is not limited to:
 - 3.1.2.8.1. Quality improvement activities initiated in response to each complaint.
 - 3.1.2.8.2. An explanation for each instance in which an individual did not receive planned services.
- 3.2. The Contractor shall report suspected abuse, neglect, self-neglect, and/or exploitation of incapacitated adults as required by RSA 161-F:46 of the Adult Protection law.
- 3.3. The Contractor shall provide written notice of the inability to meet any contract service obligations, including but not limited to reducing hours of operations; changing services area; or closing and/or opening a site at least ninety (90) days prior to the event. The Contractor shall:
 - 3.3.1. Mail written notices to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 105 Pleasant Street
 - Concord, NH 03301
 - 3.3.2. Ensure written notifications include:
 - 3.3.2.1. Reason(s) for the inability to deliver services;
 - 3.3.2.2. How service recipients and the community will be impacted;
 - 3.3.2.3. How service recipients and the community will be notified; and
 - 3.3.2.4. A plan to transition clients into other services or refer the clients to other agencies.

4. Performance Measures



EXHIBIT B

- 4.1. The Department will monitor Contractor performance by evaluating the following performance measures:
- 4.1.1. Eligibility
 - 4.1.1.1. The number of applications and service requests and
 - 4.1.1.2. The number and percent of applicants found eligible for each service.
 - 4.1.1.3. The number and percent of applicants found ineligible for each service.
 - 4.1.1.4. The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.
 - 4.1.1.5. The number and percent of individuals who have experienced a safety-related incident or accident, which occurs during times of face-to-face contact.
 - 4.1.1.6. The number and percent of individuals for whom a report to Adult Protective Services was made.
 - 4.1.2. Service Delivery
 - 4.1.2.1. The number of open cases at the end of each reporting period, and
 - 4.1.2.2. The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available due to inadequate staffing or other related provider issue or due to lack of transportation, etc.
 - 4.1.2.3. The number and percent of individuals completing the survey
- 4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.
- 4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

- 5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities



EXHIBIT B

and expenditure requirements under this Agreement so as to achieve compliance therewith.

5.2. Culturally and Linguistically Appropriate Services (CLAS)

5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

5.3. Credits and Copyright Ownership

5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

5.3.3.1. Brochures.

5.3.3.2. Resource directories.

5.3.3.3. Protocols or guidelines.

5.3.3.4. Posters.

5.3.3.5. Reports.

5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5.4. Operation of Facilities: Compliance with Laws and Regulations

5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said



EXHIBIT B

license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

5.5. Eligibility Determinations

- 5.5.1. If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
- 5.5.2. Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
- 5.5.3. In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
- 5.5.4. The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Records

- 6.1. The Contractor shall keep records that include, but are not limited to:
 - 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 6.1.2. All records shall be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions



EXHIBIT B

and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

6.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

6.1.4. Medical records on each patient/recipient of services.

6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 62.40% Federal Funds by the:
 - 1.1.1. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Administration on Aging Services Grants (CFDA:#93.044), FAIN #2001NHOASS-01, as awarded on September 1, 2019. 14.55% Federal funds
 - 1.1.2. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Social Services Block Grant (CFDA:#93.667), FAIN #2001NHSOSR, as awarded on September 1, 2019. 34.60% Federal Funds
 - 1.1.3. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, CARES Act Title III Grants (CFDA:#93.044), FAIN #2001NHSSC3-00, as awarded on April 20, 2020. 13.25% Federal funds
 - 1.2. 37.60% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a (Subrecipient or Contractor), in accordance with 2 CFR 200.330.
 - 2.2. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment in accordance with the rates and units specified in Exhibit C-1, Rate Sheet.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.beasinvoices@dhhs.nh.gov or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if

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EXHIBIT C

sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.



EXHIBIT C

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- 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
 - 12.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

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Exhibit C-1 Rate Sheet

VNA at HCS, Inc.

7/1/2020 through 06/30/2021 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	1,317	\$60.00	\$ 79,020.00
Title IIIB AGDC	Per Day/Per Person	664	\$60.00	\$ 39,840.00
Title IIIB AGDC COVID	Per Day/Per Person	606	\$60.00	\$ 36,360.00

7/1/2021 through 06/30/2022 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	1,317	\$60.00	\$ 79,020.00
Title IIIB AGDC	Per Day/Per Person	664	\$60.00	\$ 39,840.00

Contractor Initials: *AS*

Date: 6/8/2020



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Castle Center Life Enrichment Day Program, 312 Marlboro Street, Keene, NH 03431

Check if there are workplaces on file that are not identified here.

Vendor Name:

6/8/2020

Date

Name: Maura McQueeney
Title: President/CEO



CERTIFICATION REGARDING LOBBYING

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

- Programs (indicate applicable program covered):
- *Temporary Assistance to Needy Families under Title IV-A
 - *Child Support Enforcement Program under Title IV-D
 - *Social Services Block Grant Program under Title XX
 - *Medicaid Program under Title XIX
 - *Community Services Block Grant under Title VI
 - *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name: VNA at HCS

6/8/2020

Date

Name: Maura McQueency

Title: President/CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
 - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: VNA at HCS

Name: Maura McQueeney
Title: President/CEO

6/8/2020

Date



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: VNA at HCS

A handwritten signature in cursive script, appearing to read "Maura McQueeney".

6/8/2020

Date

Name: Maura McQueeney
Title: President/CEO

Exhibit G

Vendor Initials MB

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: VNA at HCS

A handwritten signature in cursive script, appearing to read "Maura McQueeney".

6/8/2020

Date

Name: Maura McQueeney
Title: President/CEO



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- I. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business





Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

VNA at HCS

The State

Name of the Contractor

Signature of Authorized Representative

Signature of Authorized Representative

Name of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

President/CEO
Title of Authorized Representative

Date

Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: VNA at HCS, Inc.

6/8/2020

Date

Name: Maura McQueeney

Title: President/CEO



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 789861421
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

AD

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open





wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).



DHHS Information Security Requirements

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from



DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doi/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

State of New Hampshire

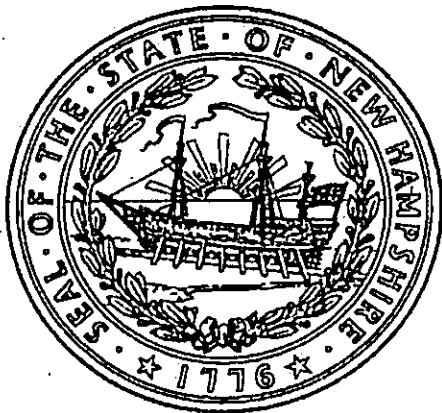
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that VNA AT HCS, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 18, 1981. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 67798

Certificate Number: 0004882946



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of April A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Julie Greenwood, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of VNA at HCS.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on May 13, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

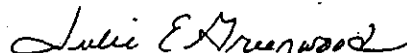
VOTED: That Maura McQueeney, CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of VNA at HCS to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for **thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: May 20, 2020



Signature of Elected Officer
Name: Julie E. Greenwood
Title: Chair of the Board of Directors



HOMEHEA-02

NLAF0REST

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/14/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Berkshire Insurance Group, Inc PO Box 4889 Pittsfield, MA 01202	CONTACT NAME:	PHONE (A/C, No, Ext): (866) 636-0244	FAX (A/C, No): (413) 447-1977
	E-MAIL ADDRESS:		
INSURED: Home Healthcare Hospice & Community Services, Inc. & VNA at HCS, Inc. PO Box 564 Keene, NH 03431	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Indemnity Insurance Company		18058
	INSURER B: ATLANTIC CHARTER INSURANCE GROUP		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			PHPK2081408	1/4/2020	1/4/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> Hired AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WCA00539808	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liab			PHPK2081408	1/4/2020	1/4/2021	per claim 1,000,000
A	Professional Liab			PHPK2081408	1/4/2020	1/4/2021	Aggregate 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire
 Department of Health & Human Services
 129 Pleasant Street
 Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Norma S. Latast



Mission of Home Healthcare, Hospice and Community Services:

To provide services which enable people to function throughout life at their optimal level of health, well-being and independence, according to their personal beliefs and choices:)

**HOME HEALTHCARE, HOSPICE AND COMMUNITY
SERVICES, INC. AND AFFILIATE**

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018



CLAcconnect.com

WEALTH ADVISORY

OUTSOURCING

**AUDIT, TAX, AND
CONSULTING**

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
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YEARS ENDED JUNE 30, 2019 AND 2018**

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Home Healthcare, Hospice and Community Services, Inc. and Affiliate
Keene, New Hampshire

We have audited the accompanying consolidated financial statements of Home Healthcare, Hospice and Community Services, Inc. and Affiliate (the Association), which comprise the consolidated balance sheet as of June 30, 2019 and 2018, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment; including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

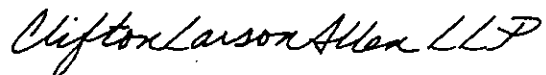
Board of Directors
Home Healthcare, Hospice and Community Services, Inc. and Affiliate

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Home Healthcare, Hospice and Community Services, Inc. and Affiliate as of June 30, 2019 and 2018, and the results of their operations, changes in their net assets, and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Effect of Adopting New Accounting Standard

As described in Note 1, Home Healthcare, Hospice and Community Services, Inc. and Affiliate adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used. Our opinion is not modified with respect to that matter.



CliftonLarsonAllen LLP

Boston, Massachusetts
March 6, 2020

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2019 AND 2018**

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 343,467	\$ 247,576
Investments	17,267	17,938
Patient Accounts Receivable, Less Allowance for Uncollectible Accounts of \$652,535 in 2019 and \$620,128 in 2018	2,366,149	2,132,956
Other Receivables	324,782	191,155
Prepaid Expenses	224,029	249,650
Total Current Assets	3,275,694	2,839,275
ASSETS LIMITED AS TO USE	12,642,547	12,248,325
PROPERTY AND EQUIPMENT, NET	2,657,038	2,978,403
Total Assets	\$ 18,575,279	\$ 18,066,003
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Line of Credit	\$ 533,503	\$ 667,125
Accounts Payable and Accrued Expenses	1,300,311	502,305
Accrued Payroll and Related Expenses	1,002,194	1,114,892
Deferred Revenue	543,274	622,004
Total Current Liabilities	3,379,282	2,906,326
NET ASSETS		
Without Donor Restrictions	14,267,831	14,205,505
With Donor Restrictions	928,166	954,172
Total Net Assets	15,195,997	15,159,677
Total Liabilities and Net Assets	\$ 18,575,279	\$ 18,066,003

See accompanying Notes to Consolidated Financial Statements.

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
OPERATING REVENUE		
Patient Service Revenue	\$ 13,093,709	\$ 14,463,382
Provision for Bad Debt	(129,445)	(367,378)
Net Patient Service Revenue	12,964,264	14,096,004
Other Operating Revenue	2,598,094	2,561,188
Net Assets Released from Restrictions Used for Operations	107,946	45,441
Total Operating Revenue	15,670,304	16,702,633
OPERATING EXPENSES		
Salaries and Related Expenses	11,958,073	13,428,756
Other Operating Expenses	4,751,034	5,130,498
Depreciation	431,929	455,303
Total Operating Expenses	17,141,036	19,014,557
OPERATING LOSS	(1,470,732)	(2,311,924)
OTHER REVENUE AND GAINS		
Contributions and Fundraising Income	634,736	425,576
Investment Income, Net	171,101	167,938
Realized and Unrealized Gains on Investments	724,386	697,024
Total Other Revenue and Gains	1,530,223	1,290,538
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	59,491	(1,021,386)
Net Assets Released from Restrictions Used for Capital	2,835	172,287
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	\$ 62,326	\$ (849,099)

See accompanying Notes to Consolidated Financial Statements.

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Excess (Deficiency) of Revenue of Expenses	\$ 59,491	\$ (1,021,386)
Net Assets Released from Restrictions Used for Capital	2,835	172,287
Change in Net Assets Without Donor Restrictions	62,326	(849,099)
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	12,822	-
Investment Income	13,833	15,074
Realized and Unrealized Gains on Investments	58,120	63,117
Net Assets Released from Restrictions Used for Operations	(107,946)	(45,441)
Net Assets Released from Restrictions Used for Capital	(2,835)	(172,287)
Change in Net Assets With Donor Restrictions	(26,006)	(139,537)
CHANGE IN NET ASSETS	36,320	(988,636)
Net Assets - Beginning of Year	15,159,677	16,148,313
NET ASSETS - END OF YEAR	\$ 15,195,997	\$ 15,159,677

See accompanying Notes to Consolidated Financial Statements.

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 36,320	\$ (988,636)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Used by Operating Activities:		
Depreciation	431,929	455,303
Provision for Bad Debts	129,445	367,378
Realized and Unrealized Gains on Investments	(782,506)	(760,141)
Investment Income Restricted for Reinvestment	(13,833)	(15,074)
(Increase) Decrease in:		
Investments	671	598
Patient Accounts Receivable	(362,638)	(166,864)
Other Receivables	(133,627)	304,113
Prepaid Expenses	25,621	108,843
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	798,006	(73,615)
Accrued Payroll and Related Expenses	(112,698)	(48,123)
Deferred Revenue	(78,730)	74,730
Net Cash Used by Operating Activities	(62,040)	(741,488)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(4,235,594)	(2,814,287)
Proceeds from Sale of Investments	4,637,711	3,152,045
Capital Expenditures	(110,564)	(174,237)
Net Cash Provided by Investing Activities	291,553	163,521
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Line of Credit	1,522,000	1,730,000
Payments on Line of Credit	(1,655,622)	(1,262,721)
Net Cash Provided (Used) by Financing Activities	(133,622)	467,279
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,891	(110,688)
Cash and Cash Equivalents - Beginning of Year	247,576	358,264
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 343,467	\$ 247,576
SUPPLEMENTAL DISCLOSURE		
Interest Paid	\$ 36,935	\$ 25,300

See accompanying Notes to Consolidated Financial Statements.

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Home Healthcare, Hospice and Community Services, Inc. is a nonstock, nonprofit corporation in New Hampshire whose primary purpose is to act as a holding company and provide management services to its affiliate.

Affiliate

VNA at HCS, Inc. is a nonstock, nonprofit corporation in New Hampshire whose primary purposes are to provide home healthcare, hospice, and community services.

Principles of Consolidation

The consolidated financial statements include the accounts of Home Healthcare, Hospice and Community Services, Inc. and its affiliate, VNA at HCS, Inc. (collectively, the Association). They are related through a common board membership and common management. All significant intercompany balances and transactions have been eliminated in consolidation.

The Association prepares its consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Income Taxes

The Association is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association's tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions includes assets set aside by the board of directors for future use.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities, other than endowment and similar funds, are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of time restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets as net assets released from restrictions.

Donated services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Contributions, including pledges receivable which are unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Gifts of long-lived assets are reported as assets without donor restrictions unless explicit donor stipulations specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulation about how long those assets must be maintained, expiration of donor restrictions are reported when the donated or acquired long-lived assets are placed into service. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Association has cash deposits in a major financial institution which may exceed federal depository insurance limits. The Association has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

Allowance for Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible accounts by analyzing the Association's past history and identification of trends for all funding sources in the aggregate. In addition, balances in excess of 365 days are fully reserved. Management regularly reviews revenue data in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts follows as of June 30:

	2019	2018
Balance - Beginning of Year	\$ 620,128	\$ 575,388
Provision	129,445	367,378
Write-Offs	(97,038)	(322,638)
Balance - End of Year	<u>\$ 652,535</u>	<u>\$ 620,128</u>

Investments

Investments in short-term investment options are reported as current assets. Investments held for long-term return are reported as noncurrent assets.

The Association reports investments at fair value and has elected to report all gains and losses in the Excess (Deficiency) of Revenue of Expenses to simplify the presentation of these amounts in the consolidated statement of operations, unless otherwise stipulated by the donor or state law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheets, statements of operations, and statements of changes in net assets.

Assets Limited as to Use

Assets limited as to use includes designated assets set aside by the board of directors and donor contributions.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Assets with an estimated useful life of more than one year and a historical cost in excess of \$5,000 are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred and renewals and betterments are capitalized. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Property is reviewed for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the assets' carrying amount over the fair value of the asset.

Deferred Revenue

Deferred revenue represents advances on episodic payments that have not yet been earned. Revenue is recognized over the period in which treatment is provided (60 days) on a straight-line basis.

Patient Service Revenue

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a fee for service basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed rate amount.

Charges for services to all patients are recorded as revenue when services are rendered at the net realizable amounts from patients, third-party payors, and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

Cost Allocations

The Association operates several related programs. Costs directly attributable to a program are charged to the respective program services. Management and general costs of the Association have been allocated between the programs on the basis of actual direct program costs.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measure of Operations

For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provision of program services are reported as revenues and expenses. Peripheral or incidental transactions are reported as nonoperating gains and losses. The consolidated statements of operations include the operating loss. Changes in net assets without donor restrictions which are excluded from the operating loss, consistent with industry practice, include contributions and fundraising income, investment income and realized and unrealized gains and losses on investments.

Excess (Deficiency) of Revenues Over Expenses

The consolidated statements of operations includes the excess (deficiency) of revenues over expenses. Changes in net assets without donor restrictions which are excluded from the excess (deficiency) of revenues over expenses, consistent with industry practice, include contributions of, and net assets released from donor restrictions related to, long-lived assets.

Functional Expenses

The financial statements contain certain categories of expenses that attributable to one or more program or supporting functions of the Association. Expenses are directly allocated to program or support services whenever possible. Other shared expenses are allocated based on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and occupancy, which are allocated on a square footage basis, salaries and benefits, which are allocated on a basis of estimated time and effort, and information technology, which is allocated based on estimates of time and cost of the specific technology utilized. See Note 8 for the natural classification detail of expenses by function.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform with the current year presentation.

Change in Accounting Principle

The Association has adopted the accounting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which changes presentation and disclosure requirements for nonprofit entities to provide more relevant information about their resources (and the changes in those resources) to donors, granters, creditors, and other users. These include qualitative and quantitative requirements in the following areas: net asset classes, investment return, expenses, and liquidity. Adoption of the new standard had no effect on the previously reported change in net assets or net assets balance.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. The guidance requires the Association to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the Association expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. Implementation of the new standard can result in changes to the reporting and disclosure of leases. The standard will be effective for the Association for the year ending June 30, 2020. Management is in the process of evaluating the impact on the Association.

In February 2016, FASB issued ASU 2016-02, *Leases*, pertaining to recording of leases. While the standard will not be effective for the Association until the year ending June 30, 2021, the standard can be adopted as early as the year ending December 31, 2016. Early adoption has not been exercised. Implementation of the new standard can result in changes to the reporting and disclosure of leases. Management is in the process of evaluating the impact on the Association.

Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through March 6, 2020, which is the date the consolidated financial statements were available to be issued.

NOTE 2 INVESTMENTS AND ASSETS LIMITED AS TO USE

Investments and assets limited as to use, stated at fair value, are as follows as of June 30:

	2019	2018
Cash and Cash Equivalents	\$ 329,576	\$ 106,923
U.S. Government and Corporate Bonds	3,404,633	3,335,084
Marketable Securities	5,988,449	5,656,193
Mutual Funds	2,937,156	3,168,063
Total Investments and Assets Limited as to Use	<u>\$ 12,659,814</u>	<u>\$ 12,266,263</u>
Investments Without Donor Restrictions	\$ 17,267	\$ 17,938
Assets Limited as to Use:		
Board-Designated for Future Use	11,760,468	11,363,748
Donor-Restricted, Time or Purpose	647,848	650,346
Donor-Restricted, Perpetual in Nature	234,231	234,231
Total Assets Limited as to Use	<u>12,642,547</u>	<u>12,248,325</u>
Total Investments and Assets Limited as to Use	<u>\$ 12,659,814</u>	<u>\$ 12,266,263</u>

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
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NOTE 2 INVESTMENTS AND ASSETS LIMITED AS TO USE (CONTINUED)

Fair Value Measurement

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value.

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entry has the ability to access as of the measurement date.

Level 2 – Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

All of the Association's investments were measured on a recurring basis.

The following table presents the Association's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2019 and 2018:

	2019			Total
	Level 1	Level 2	Level 3	
Corporate Bonds	\$ -	\$ 1,125,332	\$ -	\$ 1,125,332
Government Bonds	2,279,301	-	-	2,279,301
Equity Securities	5,988,449	-	-	5,988,449
Mutual Funds	2,937,156	-	-	2,937,156
Total Investments and Assets Limited as to Use at Fair Value	<u>\$ 11,204,906</u>	<u>\$ 1,125,332</u>	<u>\$ -</u>	<u>12,330,238</u>
Cash and Cash Equivalents				329,576
Total Investments and Assets Limited as to Use				<u>\$ 12,659,814</u>
	2018			
	Level 1	Level 2	Level 3	Total
Corporate Bonds	\$ -	\$ 1,135,706	\$ -	\$ 1,135,706
Government Bonds	2,199,378	-	-	2,199,378
Equity Securities	5,656,193	-	-	5,656,193
Mutual Funds	3,168,063	-	-	3,168,063
Total Investments and Assets Limited as to Use at Fair Value	<u>\$ 11,023,634</u>	<u>\$ 1,135,706</u>	<u>\$ -</u>	<u>12,159,340</u>
Cash and Cash Equivalents				106,923
Total Investments and Assets Limited as to Use				<u>\$ 12,266,263</u>

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
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NOTE 2 INVESTMENTS AND ASSETS LIMITED AS TO USE (CONTINUED)

Investment income and gains for cash equivalents and investments consist of the following as of June 30:

	2019	2018
Net Assets Without Donor Restrictions:		
Investment Income, Net	\$ 171,101	\$ 167,938
Realized and Unrealized Gains on Investments	724,386	697,024
Net Assets With Donor Restrictions:		
Investment Income	13,833	15,074
Realized and Unrealized Gains on Investments	58,120	63,117
Total Investment Income and Gains	\$ 967,440	\$ 943,153

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of June 30:

	2019	2018
Land and Improvements	\$ 482,961	\$ 471,403
Building and Improvements	5,384,931	5,384,931
Furniture, Fixtures, and Equipment	3,121,014	3,028,445
Total Cost	8,988,906	8,884,779
Less: Accumulated Depreciation	6,331,868	5,906,376
Total Property and Equipment, Net	\$ 2,657,038	\$ 2,978,403

NOTE 4 LINE OF CREDIT

The Association has an unsecured \$1,000,000 line of credit payable on demand with a local bank with interest at 1% above the bank's base rate (6.50% and 6.00% at June 30, 2019 and 2018, respectively). The outstanding balance was \$533,503 and \$667,125 at June 30, 2019 and 2018, respectively. The line is subject to automatic annual renewal at the discretion of the lender.

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NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

The Association has received donor-restricted contributions, which have been accounted for as net assets with donor restrictions and are available for the following purposes at June 30:

	2019	2018
Time or Purpose Restrictions for:		
Haskell Fund for Office Rent	\$ 304,618	\$ 339,825
Operations	107,789	98,797
Meal Sites	1,337	1,697
Respite	4,089	4,089
Hospice Operations	3,208	1,252
Hospice Memorial Garden	134,641	123,926
Johnson Family Fund for Capital Expenditures	7,009	5,757
Barbara Duckett Scholarship Fund	89,486	75,003
Donated Motor Vehicles	41,758	69,595
Total	\$ 693,935	\$ 719,941
Restrictions that are Perpetual in Nature for:		
Hospice	\$ 10,000	\$ 10,000
Operations	8,623	8,623
Johnson Family Fund for Capital Expenditures	10,202	10,202
Bednar Endowment Fund	50,000	50,000
Haskell Endowment Fund	120,570	120,570
Jones Endowment Fund	34,836	34,836
Total	\$ 234,231	\$ 234,231

NOTE 6 ENDOWMENTS

The Association has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as a donor-restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor-restricted endowment gifts, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by UPMIFA.

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NOTE 6 ENDOWMENTS (CONTINUED)

In accordance with the UPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purposes of the organization and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Association;
7. The investment policies of the Association;
8. The spending policy; and
9. Funds with deficiencies.

Return Objectives and Risk Parameters

The investment portfolio is managed to provide for the long-term support of the Association. Accordingly, these funds are managed with disciplined, longer-term investment objectives and strategies designed to meet cash flow and spending requirements. Management of the assets is designed to attain the maximum total return consistent with acceptable and agreed upon levels of risk. The Association benchmarks its portfolio performance against a number of commonly used indices.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets an asset allocation strategy wherein assets are diversified among several asset classes. The pursuit of maximizing total return is tempered by the need to minimize the volatility of returns and preserve capital. As such, the Association seeks broad diversification among assets having different characteristics with the intent to endure lower relative performance in strong markets in exchange for greater downside protection in weak markets.

Spending Policy

The Association's spending policy is equal to investment returns. All available investment returns earned on endowments are expended, or released from endowment in the year earned.

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NOTE 6 ENDOWMENTS (CONTINUED)

The following schedule details the changes in endowment net assets for the years ended June 30:

	Without Donor Restrictions	With Donor Restrictions		Total
		Purpose Restrictions	Perpetual in Nature	
Net Assets - June 30, 2017	\$ 10,828,438	\$ 479,136	\$ 234,231	\$ 11,541,805
Investment Income, Net	163,146	10,945	-	174,091
Realized and Unrealized Gains on Investments	696,259	45,731	-	741,990
Net Assets Released from Restrictions	-	(184,706)	-	(184,706)
Use of Board Designated Funds for Operations	(324,095)	-	-	(324,095)
Change in Net Assets	535,310	(128,030)	-	407,280
Net Assets - June 30, 2018	11,363,748	351,106	234,231	11,949,085
Investment Income	169,336	9,153	-	178,489
Realized and Unrealized Gains on Investments	723,838	38,445	-	762,283
Net Assets Released from Restrictions	-	(79,584)	-	(79,584)
Use of Board Designated Funds for Operations	(496,454)	-	-	(496,454)
Change in Net Assets	396,720	(31,986)	-	364,734
Net Assets - June 30, 2019	<u>\$ 11,760,468</u>	<u>\$ 319,120</u>	<u>\$ 234,231</u>	<u>\$ 12,313,819</u>

NOTE 7 PATIENT SERVICE REVENUE

Patient service revenue is as follows as of June 30:

	2019	2018
Medicare	\$ 9,540,407	\$ 9,710,931
Medicaid	826,800	991,348
Other Third-Party Payors	2,529,426	2,818,951
Private Pay	197,076	942,152
Total	<u>\$ 13,093,709</u>	<u>\$ 14,463,382</u>

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NOTE 7 PATIENT SERVICE REVENUE (CONTINUED)

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenue in the year that such amounts become known.

The Association provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Association does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

The Association provided services in other health related activities, primarily to indigent patients, at rates substantially below cost. For certain activities, services were provided without charge. The Association estimates the costs associated with providing the other health related activities by applying Medicare cost report methodology to determine program costs less any net patient revenue generated by the program. The estimated costs incurred in these activities amounted to \$1,104,471 and \$1,047,857 for the years ended June 30, 2019 and 2018, respectively.

The Association is able to provide these services with a component of funds received through local community support and federal and state grants. Local community support consists of contributions received directly from the public, United Way, municipal appropriations, and investment income earned from assets limited as to use. Federal and state grants consisted of monies received from the state of New Hampshire.

NOTE 8 FUNCTIONAL EXPENSES

The Association provides various services to residents within its geographic location. All operating expenses are considered to relate, either directly or indirectly, to providing these services. The tables below present expenses by both their nature and function for the years ended June 30:

	2019			
	Home Healthcare, Hospice and Community Services	Supporting Services		Total
	Fundraising	Management and General		
Salaries and Related Expenses	\$ 10,338,358	\$ 593	\$ 1,619,122	\$ 11,958,073
Contracted Services	1,255,855	-	1,056,333	2,312,188
Office and Occupancy	1,605,346	12,959	744,891	2,363,196
Insurance	12,751	-	62,899	75,650
Depreciation	31,748	-	400,181	431,929
Total Expenses	<u>\$ 13,244,058</u>	<u>\$ 13,552</u>	<u>\$ 3,883,426</u>	<u>\$ 17,141,036</u>

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NOTE 8 FUNCTIONAL EXPENSES (CONTINUED)

	2018			
	Home Healthcare, Hospice and Community Services	Supporting Services		Total
		Fundraising	Management and General	
Salaries and Related Expenses	\$ 11,037,228	\$ 37,647	\$ 2,353,881	\$ 13,428,756
Contracted Services	1,928,537	-	714,469	2,643,006
Office and Occupancy	1,783,386	12,059	607,574	2,403,019
Insurance	13,508	-	70,965	84,473
Depreciation	80,504	-	374,799	455,303
Total Expenses	\$ 14,843,163	\$ 49,706	\$ 4,121,688	\$ 19,014,557

NOTE 9 MALPRACTICE INSURANCE

The Association insures its malpractice risks on a claims made basis. There was one known malpractice claim outstanding at June 30, 2019 and 2018. There were no unasserted claims or incidents which require loss accrual at June 30, 2019 or 2018. The Association intends to renew coverage on a claims made basis and anticipates that such coverage will be available.

Litigation

The Association is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Association's future financial position or results of operations.

NOTE 10 RETIREMENT PLAN

The Association sponsors a defined contribution plan. The retirement contributions by the Association amounted to \$144,683 and \$165,184 for 2019 and 2018, respectively.

NOTE 11 CONCENTRATION OF RISK

The Association grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. Following is a summary of accounts receivable, by funding source:

	2019	2018
Medicare	66%	65%
Medicaid	8%	3%
Other Third-Party Payors	26%	32%
Total	100%	100%

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
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NOTE 12 CONTINGENCIES

Third-Party Payors

A significant portion of the Association's net revenues and accounts receivable are derived from services reimbursable under the Medicaid and the Medicare programs. There are numerous healthcare reform proposals being considered on the federal and state levels. The Association cannot predict at this time whether any of these proposals will be adopted or, if adopted and implemented, what effect such proposals would have on the Association.

A significant portion of the Association's revenues are derived from services under the Medicare program (see Note 7). Under this program, cost reports are subject to audit for a period of three years from the date of issuance of a Notification of Provider Reimbursement by the fiscal intermediary. It is not possible at this time to determine whether the Association will be audited or if a retroactive rate adjustment would result.

Medicare fiscal intermediaries and other payors periodically conduct pre-payment or post-payment medical reviews or other audits of the Association's hospice reimbursement claims. In order to conduct these reviews, the payor requests documentation from the Association and then reviews the documentation to determine compliance with applicable rules and regulations, including the eligibility of patients to receive hospice benefits, the appropriateness of the care provided to those patients, and the documentation of the care. The Association cannot predict whether medical reviews or similar audits by federal or state agencies or commercial payors of the Association hospice program will result in material recoupments or denials, which could have a material adverse effect on the Association's financial condition and results of operations.

A portion of the Association's revenues are derived from services reimbursable under the Medicaid program (see Note 7). The base year costs utilized in calculating the Medicaid prospective rates are subject to audit which could result in a retroactive rate adjustment for all years in which that base year's costs are utilized in calculating the prospective rate. It is not possible at this time to determine whether the Association will be audited or if a retroactive rate adjustment would result.

NOTE 13 AVAILABLE RESOURCES AND LIQUIDITY

The Association has the following financial assets available within one year of the date of the statement of financial position at June 30:

	<u>2019</u>	<u>2018</u>
Cash and Cash Equivalents	\$ 343,467	\$ 247,576
Investments	17,267	17,938
Patient Accounts Receivable, Net	2,366,149	2,132,956
Other Receivables	<u>324,782</u>	<u>191,155</u>
Total Financial Assets Available to Meet Liquidity Needs	<u>\$ 3,051,665</u>	<u>\$ 2,589,625</u>

**HOME HEALTHCARE, HOSPICE AND COMMUNITY SERVICES, INC.
AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 13 AVAILABLE RESOURCES AND LIQUIDITY (CONTINUED)

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the date of the statement of financial position.

In addition, approximately \$11.8 million and \$11.4 million in board designated funds at June 30, 2019 and 2018, respectively, could be made available to the Association upon approval by the board of directors. The Association also has approximately \$466,000 and \$333,000 in availability under the line of credit as of June 30, 2019 and 2018, respectively.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC,
an SEC-registered investment advisor. | CliftonLarsonAllen LLP



**Home Healthcare, Hospice and Community Services/VNA at HCS
2019/2020 Board of Directors**

Chair:

Julie Greenwood

Vice-Chair:

Jane Larmon

Treasurer:

Eric Horne

Secretary:

Susan Abert

Dianne Bolton

Mike Chelstowski

Mary Ann Davis

Julie Green

Maureen O'Brien

Brian Reilly

Judy Sadoski

David Stinson

David Therrien

Director at Large

Betsy Cotter

Immediate Past President

Allen Mendelson

EX-OFFICIO

Maura McQueeney, CEO
HCS, VNA at HCS
312 Marlboro St.
Keene, NH 03431
352-2253 x121

Mary E. Lucas

Education

- 1997-1998 **Vermont Technical College, Randolph Center, VT**
RN – Associate Degree in Nursing, May 1998
- 1994 – 1995 **Thompson School for Practical Nurses, Brattleboro, VT**
Diploma in Nursing, June, 1995
- 1991 – 1993 **Greenfield Community College, Greenfield, MA**
Business Administration/Management

Employment

- 1999-Present **Home Healthcare, Hospice and Community Services, Keene, NH**
1999 – 2001, Staff Nurse
2001 – 2002, Support Services Coordinator
2002 – 2006, Support Services Manager
2006 – 2009, Home Health Nurse
2009 – 2011, Home Health Aide Supervisor
2001 – 2016, Hospice/Home Health Aide Supervisor
2016 – 2018, Clinical Manager of Customized Care
2018 – present, RN Administrator, The Castle Center
- 1998 - 1999 **Langdon Place of Keene, NH**
RN Charge Nurse on Alzheimer's Unit for 24 residents.
Implementing care plans of residents with a psychiatrist on a bi-weekly basis, resident assessments, treatments, medication nurse.
- 1998 – 1997 **LPN Charge Nurse, Skilled Nursing Care for 25 residents.**
Duties included: medication nurse, treatment nurse, oversee duties of CNA, resident assessments, update nursing care plans.
- 1996 – 1997 **Linda Manor Extended Care**
1996 – LPN – Charge Nurse for 41 residents
1997 – LPN – Sub-Acute unit of 20 patients.
Duties included: medication nurse, treatment nurse, update nursing care plans, supervision of CNA staff, communication of resident's care with physician.
- 1995 – 1996 **Center for Extended Care of Amherst, Amherst, MA**
LPN – Long Term Care Facility
Duties included: medication nurse, treatment nurse, resident assessments, scheduling MD., Podiatrists, Optometrist appointments, update nursing care plans, supervision of CNA staff, communication of resident's care with physician.
- 1994 – 1995 **Heritage Hall South, Agwam, MA**
LPN – Respiratory Care Unit
Duties included: vent care, in-line suctioning, trachea care, medication nurse, treatment nurse, assessment of residents, communication of resident's care with physician, supervision of CNA staff. IV Certification.

CONTRACTOR NAME: VNA at HCS

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Mary Lucas	Nurse Administrator	\$74,460	46%	\$34,252

Subject: Adult Day Program Services (RFA-2021-DLTSS-02-ADULT-04)

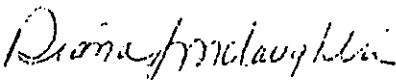
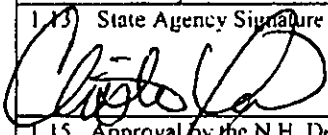
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Memorial Elder Health Services		1.4 Contractor Address 3073 White Mountain Hwy North Conway, NH 03860	
1.5 Contractor Phone Number (603) 356-5461	1.6 Account Number 05-95-48-481010-7872-540-500382; 05-95-48-481010-9255-566500918; 05-95-48-481010-1917-102-500731	1.7 Completion Date June 30, 2022	1.8 Price Limitation \$85,740
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: <i>06/10/20</i>		1.12 Name and Title of Contractor Signatory Deane J. McLaughlin Chief Financial Officer	
1.13 State Agency Signature  Date: <i>6-8-20</i>		1.14 Name and Title of State Agency Signatory Christie Tupper, Associate Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director. On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <i>Catherine Pinos</i> On: <i>06/10/20</i>			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

Contractor Initials *DM*
 Date *06/10/2020*

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE:** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



EXHIBIT A

REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:
 - 3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2020 ("Effective Date").
- 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two (2) of years additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services under this Agreement for individuals who are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, or who are not eligible for other New Hampshire Medicaid services, or who are not receiving the same or similar services through the Veterans' Administration.
- 1.2. For the purposes of this agreement, all references to days shall mean calendar days.
- 1.3. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from (8:00 am to 5:00 pm), excluding state and federal holidays.
- 1.4. The Contractor shall provide Adult Day Program Services in Center Conway, New Hampshire.
- 1.5. The Contractor shall be licensed as an adult day program in accordance with RSA 151:2 I (f) and as governed by New Hampshire Code of Administrative Rules Part He-P 818, Adult Day Programs.
- 1.6. The Contractor shall provide services in accordance with New Hampshire Administrative Rule He-E 501, The Social Services Block Grant (Title XX) and New Hampshire Administrative Rule He-E 502, The Older American Act Services: Title IIIB Supportive Services, governing Adult Day Program Services.
- 1.7. The Contractor shall provide services and administration of the program in accordance with the applicable federal and state laws, NH Administrative Rules He-E 501 and He-E 502, policies and regulations adopted by the Department currently in effect, and as they may be adopted or amended during the contract period.
- 1.8. The Contractor shall provide services in a supervised setting for fewer than twelve (12) hours a day to individuals 18 years of age and older, based on an individual's needs, which may include, but are not limited to:
 - 1.8.1. Assistance with activities of daily living.
 - 1.8.2. Nursing care and rehabilitation services.
 - 1.8.3. Recreational, social, cognitive and physical stimulation activities.
 - 1.8.4. Monitoring of the individual's condition
 - 1.8.5. Counseling, as appropriate, on nutrition, hygiene or other related matters.
 - 1.8.6. Referrals to other services and resources as necessary.
 - 1.8.7. Assistance and support to caregiving families



EXHIBIT B

- 1.9. The State reserves the right to require services to be concurrently provided in facilities and in an alternative setting. The Contractor may:
 - 1.9.1. Provide adult day program services in an alternative setting approved by the Department, during a declaration of emergency or disaster issued by the Governor. The Contractor shall:
 - 1.9.1.1. Comply with all laws, rules, and guidance in accordance with the State of New Hampshire and the federal Older American Act Services.
 - 1.9.1.2. Comply with guidelines from the Centers for Disease Control and Prevention (CDC) and the Department, as directed by the Department during emergencies.
 - 1.9.1.3. Obtain Department consent for modifications due to suspended in-facility services.
 - 1.9.1.4. Provide services in accordance with guidance from the Department that include, but are not limited to:
 - 1.9.1.4.1. Continuation of certain services, telephonically or via video chat, to individuals currently receiving services.
 - 1.9.1.4.2. Completion of the Daily Care Connection form issued by the Department for each remote contact with a participant.
- 1.10. The Contractor shall provide services to individuals referred by:
 - 1.10.1. The Adult Protection Program.
 - 1.10.2. Direct application to the Contractor for services.
 - 1.10.3. NH ServiceLink Resource Centers and other community agencies.
 - 1.10.4. Self-referral.
- 1.11. The Contractor shall conduct an expedited intake for individuals referred by the Adult Protection Program in accordance with the NH Administrative Rules He-E 501 and 502, which include, but are not limited to:
 - 1.11.1. Waiving application, determination and redetermination requirements.
 - 1.11.2. Utilizing information provided by Adult Protective Program staff to provide appropriate services.
 - 1.11.3. Reporting suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law.
 - 1.11.4. Making a good-faith effort to ensure the provision of services.



EXHIBIT B

- 1.11.5. Informing the referring Adult Protective Program staff of any changes to the referred individual's situation, or other concerns.
- 1.12. The Contractor shall determine eligibility for services, and complete an intake and an application for services for individuals who apply directly to the Contractor, in accordance with NH Administrative Rules He-E 501 and 502.
- 1.13. The Contractor shall provide written notice of eligibility to each individual who applies to the Contractor for services no later than forty-five (45) days from the date eligibility is determined, which includes, but is not limited to:
 - 1.13.1. Services to be provided including frequency; and
 - 1.13.2. Beginning and end dates for the period of eligibility; or
 - 1.13.3. If the individual is determined to not be eligible for service(s), the notice shall include, but is not limited to:
 - 1.13.3.1. The reason(s) for the denial;
 - 1.13.3.2. A statement regarding the right of the individual or his or her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 1.13.3.3. Contact information for requesting an administrative hearing, as described in New Hampshire Administrative Rule He-E 501.11.
- 1.14. The Contractors shall use the Department's Form 3000 application when determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX).
- 1.15. The Contractor shall submit its policies and procedures for client eligibility determination and redetermination to the Department for review and approval, within 30 days of the start of each State Fiscal Year. The Contractor shall:
 - 1.15.1. Terminate services when:
 - 1.15.1.1. The individual or his or her authorized representative requests that the services be terminated.
 - 1.15.1.2. The individual no longer meets the eligibility requirements for services.
 - 1.15.1.3. Funding by the State for the service(s) is no longer available.
 - 1.15.1.4. The individual did not reapply for services as required by program rules.
 - 1.15.1.5. The individual is admitted to a nursing home or residential care facility.
 - 1.15.2. Request a service authorization from the Department for each individual determined eligible for services.

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06/08/2020



EXHIBIT B

- 1.15.3. Submit a completed Form 3502 "Contract Service Authorization-New Authorization," in accordance with NH Administrative rule He-E 501.15, for each client determined eligible for services. The completed Form 3502 may include more than one services and shall be submitted to:

Bureau of Data Management
129 Pleasant Street
Concord, NH 03301

- 1.15.4. Assess each individual's needs and develop a written service plan; maintain written progress notes; and monitor and adjust the service plans to meet the individual's needs, in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 1.15.5. Incorporate the following Guiding Principles for Person-Centered Planning Philosophy into agency functions, policies, and staff-client interactions when providing services::
- 1.15.5.1. Individuals and families are invited, welcomed, and supported as full participants in service planning and decision-making.
 - 1.15.5.2. Individual's wishes, values, and beliefs are considered and respected.
 - 1.15.5.3. Individual is listened to; needs and concerns are addressed.
 - 1.15.5.4. Individual receives the information he/she needs to make informed decisions.
 - 1.15.5.5. Planning is responsive to the individual. His or her preferences drive the planning process, though the decision making process may need to be accelerated to respond to emergencies.
 - 1.15.5.6. Services are designed, scheduled, and delivered to best meet the needs and preferences of the individual.
 - 1.15.5.7. The system is committed to excellence and quality improvement.
 - 1.15.5.8. Individual rights are affirmed and protected.
 - 1.15.5.9. Individuals are protected from exploitation, abuse, and neglect.
 - 1.15.5.10. The service system is accessible, responsive, and accountable to the individual.



EXHIBIT B

- 1.15.6. Maintain a level of staffing necessary to perform and provide the functions, requirements, roles, and duties in a timely fashion for the number of clients identified in this Agreement.
- 1.15.7. Develop and submit its written Staffing Contingency Plan to the Department within 30 days of contract approval date, which includes, but is not limited to:
 - 1.15.7.1. The process for replacing personnel in the event of loss of personnel during contract period.
 - 1.15.7.2. A description of how additional staff resources will be allocated to support contract services in the event of inability to meet any performance standard.
 - 1.15.7.3. A description of time frames necessary for obtaining staff replacements.
 - 1.15.7.4. An explanation of capabilities to provide, in a timely manner, staff replacements and/or additions with comparable experience.
 - 1.15.7.5. A description of the method for training new staff members performing contract services.
- 1.15.8. Verify each staff member and each volunteer completes appropriate orientation and training; has the required education; and has the appropriate experience to fulfill the responsibilities of their respective position. The Contractor shall maintain all relevant documents, including, but not limited to:
 - 1.15.8.1. Current personnel records.
 - 1.15.8.2. Training records.
 - 1.15.8.3. Licenses.
 - 1.15.8.4. Certifications.
- 1.16. The Contractor shall maintain a system for tracking, resolving, and reporting client complaints relative to services, processes, procedures, and staff. The Contractor shall provide a written record of all complaints to the Department, upon request, ensuring the information includes, but is not limited to:
 - 1.16.1. Individual's name.
 - 1.16.2. Type of service.
 - 1.16.3. Date of complaint.
 - 1.16.4. A description of the complaint.
 - 1.16.5. Resolution to the complaint.
 - 1.16.6. Notice of right to appeal.



EXHIBIT B

- 1.17. The Contractor shall complete a criminal background check for each staff member or volunteer who interacts with or provides hands-on care to individuals in compliance with the requirements of NH Administrative Rule He-P 818, Adult Day Programs.
- 1.18. The Contractor shall not commence delivery of services prior to the receipt by the Department of documentation required in Subsection 1.17, above.
- 1.19. The Contractor shall develop a survey, to be approved by the Department, and conduct a survey of individuals receiving services, via telephone, mail, e-mail, or face-to-face.
- 1.20. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services.
- 1.21. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services, in accordance with NH Administrative Rule He-E 501.10, in the event that:
 - 1.21.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 1.21.2. The Contractor terminates a service or services for any reason; or
 - 1.21.3. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

2. Exhibits Incorporated

- 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Reporting Requirements

- 3.1. The Contractor shall submit quarterly reports on the provision of Adult Day Care services to the Department, on a pre-defined electronic form supplied by the Department. The Contractor shall:
 - 3.1.1. Submit reports to the Department no later than the 15th day of the month following the end of each quarter.
 - 3.1.2. Ensure each report includes, but is not limited to:



EXHIBIT B

- 3.1.2.1. Total expenses.
- 3.1.2.2. Revenue.
- 3.1.2.3. Actual Units served, sorted by funding source.
- 3.1.2.4. Number of unduplicated clients served, sorted by funding source.
- 3.1.2.5. Number of Title III and Title XX clients served with funds not provided by the Department.
- 3.1.2.6. Unmet need/waiting list.
- 3.1.2.7. Length of time clients are on a waiting list.
- 3.1.2.8. A narrative description of activities during the previous quarter, which shall include, but is not limited to:
 - 3.1.2.8.1. Quality improvement activities initiated in response to each complaint.
 - 3.1.2.8.2. An explanation for each instance in which an individual did not receive planned services.
- 3.2. The Contractor shall report suspected abuse, neglect, self-neglect, and/or exploitation of incapacitated adults as required by RSA 161-F:46 of the Adult Protection law.
- 3.3. The Contractor shall provide written notice of the inability to meet any contract service obligations, including but not limited to reducing hours of operations; changing services area; or closing and/or opening a site at least ninety (90) days prior to the event. The Contractor shall:
 - 3.3.1. Mail written notices to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 105 Pleasant Street
 - Concord, NH 03301
 - 3.3.2. Ensure written notifications include:
 - 3.3.2.1. Reason(s) for the inability to deliver services;
 - 3.3.2.2. How service recipients and the community will be impacted;
 - 3.3.2.3. How service recipients and the community will be notified; and
 - 3.3.2.4. A plan to transition clients into other services or refer the clients to other agencies.

4. Performance Measures



EXHIBIT B

4.1. The Department will monitor Contractor performance by evaluating the following performance measures:

4.1.1. Eligibility

4.1.1.1. The number of applications and service requests and

4.1.1.2. The number and percent of applicants found eligible for each service.

4.1.1.3. The number and percent of applicants found ineligible for each service.

4.1.1.4. The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.

4.1.1.5. The number and percent of individuals who have experienced a safety-related incident or accident, which occurs during times of face-to-face contact.

4.1.1.6. The number and percent of individuals for whom a report to Adult Protective Services was made.

4.1.2. Service Delivery

4.1.2.1. The number of open cases at the end of each reporting period, and

4.1.2.2. The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available due to inadequate staffing or other related provider issue or due to lack of transportation, etc.

4.1.2.3. The number and percent of individuals completing the survey

4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.

4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.

4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities

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06/08/2020



EXHIBIT B

and expenditure requirements under this Agreement so as to achieve compliance therewith.

5.2. Culturally and Linguistically Appropriate Services (CLAS)

5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

5.3. Credits and Copyright Ownership

5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

5.3.3.1. Brochures.

5.3.3.2. Resource directories.

5.3.3.3. Protocols or guidelines.

5.3.3.4. Posters.

5.3.3.5. Reports.

5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5.4. Operation of Facilities: Compliance with Laws and Regulations

5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said



EXHIBIT B

license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

5.5. Eligibility Determinations

- 5.5.1. If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
- 5.5.2. Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
- 5.5.3. In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
- 5.5.4. The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Records

- 6.1. The Contractor shall keep records that include, but are not limited to:
 - 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 6.1.2. All records shall be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions



EXHIBIT B

and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

6.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

6.1.4. Medical records on each patient/recipient of services.

6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 62.40% Federal Funds by the:
 - 1.1.1. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Administration on Aging Services Grants (CFDA:#93.044), FAIN #2001NHOASS-01, as awarded on September 1, 2019. 14.55% Federal funds
 - 1.1.2. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Social Services Block Grant (CFDA:#93.667), FAIN #2001NHSOSR, as awarded on September 1, 2019. 34.60% Federal Funds
 - 1.1.3. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, CARES Act Title III Grants (CFDA:#93.044), FAIN #2001NHSSC3-00, as awarded on April 20, 2020. 13.25% Federal funds
 - 1.2. 37.60% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a (Subrecipient or Contractor), in accordance with 2 CFR 200.330.
 - 2.2. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment in accordance with the rates and units specified in Exhibit C-1, Rate Sheet.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.beasinvoices@dhhs.nh.gov or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if



EXHIBIT C

sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.



EXHIBIT C

- 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 12.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
- 12.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

Exhibit C-1 Rate Sheet

Memorial Elder Health Services

7/1/2020 through 06/30/2021 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	412	\$60.00	\$ 24,720.00
Title IIIB AGDC	Per Day/Per Person	208	\$60.00	\$ 12,480.00
Title IIIB AGDC COVID	Per Day/Per Person	189	\$60.00	\$ 11,340.00

7/1/2021 through 06/30/2022 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	412	\$60.00	\$ 24,720.00
Title IIIB AGDC	Per Day/Per Person	208	\$60.00	\$ 12,480.00

Contractor Initials: dlr
Date: 06/03/2020



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check if there are workplaces on file that are not identified here.

06/03/2020
Date

Vendor Name:

Diana J. McLaughlin
Name: Diana J. McLaughlin
Title: Chief Financial Officer

Vendor Initials dh
Date 06/08/2020



CERTIFICATION REGARDING LOBBYING

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

06/03/2020
Date

Diana J. McLaughlin
Name: Diana J. McLaughlin
Title: Chief Financial Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
 - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

Diana J. McLaughlin

Name: *Diana J. McLaughlin*
Title: *Chief Financial Officer*

06/08/2020
Date

Vendor Initials *dh*
Date 06/08/2020



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

dfk

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

06/03/2020
Date

Diana J. McLaughlin
Name: Diana J. McLaughlin
Title: Chief Financial Officer

Exhibit G

Vendor Initials dh

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

06/08/2020
Date

Diane J. McLaughlin
Name: Diane J. McLaughlin
Title: Chief Financial Officer



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- i. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Contractor Initials

dh
Date 06/03/2020



Exhibit I

- e. **Segregation.** If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. **Survival.** Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services
The State

[Handwritten Signature]

Signature of Authorized Representative

Christie Tappan

Name of Authorized Representative

Associate Commissioner

Title of Authorized Representative

6-8-2020

Date

Memorial Kildee Health Services
Name of the Contractor.

Diana J. McLaughlin

Signature of Authorized Representative

Diana J. McLaughlin

Name of Authorized Representative

Chief Financial Officer

Title of Authorized Representative

06/03/2020

Date

[Handwritten Initials]

06/03/2020



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: *Memorial Elder Health Services*

06/03/2020
Date

Diana J. McLaughlin
Name: *Diana J. McLaughlin*
Title: *Chief Financial Officer*

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 07-397-3752
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. **Application Encryption.** If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. **Computer Disks and Portable Storage Devices.** End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. **Encrypted Email.** End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. **Encrypted Web Site.** If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. **File Hosting Services, also known as File Sharing Sites.** End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. **Ground Mail Service.** End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. **Laptops and PDA.** If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. **Open Wireless Networks.** End User may not transmit Confidential Data via an open

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06/08/2020

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing; cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doiit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

State of New Hampshire

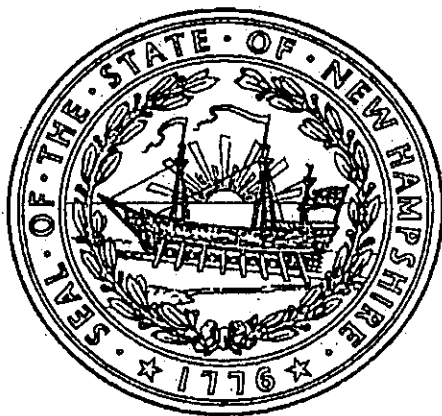
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MEMORIAL ELDER HEALTH SERVICES is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 01, 2016. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 749134

Certificate Number: 0004926967



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 8th day of June A.D. 2020.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY


I, Mary DeVeau, hereby certify that:

1. I am a duly elected Officer of Memorial Elder Health Services.
2. The following is a true copy of a vote taken at a meeting of the Board of Trustees, duly called and held on April 17, 2019, at which a quorum of the Trustees were present and voting.

VOTED: That effective on the 1st of May 2019, Arthur Mathisen, President, and Diana McLaughlin, Senior Director of Finance [now Chief Financial Officer] of The Memorial Hospital [including its subsidiaries] are hereby authorized and directed to execute and deliver lease agreements and contracts on behalf of The Memorial Hospital [and its subsidiaries] under its corporate seal.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: June 8, 2020



Signature of Elected Officer
Name: Mary DeVeau
Title: Chair, Board of Trustees



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/08/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Medical Mutual Insurance Company of Maine One City Center PO Box 15275 Portland, ME 04112	CONTACT NAME: PHONE (A/C, No, Ext): 2077752791 FAX (A/C, No): 2075238320 E-MAIL ADDRESS:
INSURED Memorial Hospital 3073 White Mountain Highway North Conway NH 03860	INSURER(S) AFFORDING COVERAGE INSURER A: Medical Mutual Ins Co of Maine INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL(SUBR) INSR / Y/N	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		NH HPL 004270	10/01/2019	10/01/2020	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ 100,000 MED EXP. (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea. accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED - RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability		NH HPL 004270	10/01/2019	10/01/2020	\$2,000,000/\$4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Memorial Elder Health Services d/b/a Mount. Washington Valley Adult Day Center is an additional insured under the above described policy

CERTIFICATE HOLDER State of New Hampshire Department of Health and Human Services 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/8/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 1780862 HUB International New England 275 US Route 1 Cumberland Foreside, ME 04110	CONTACT NAME: PHONE (A/C, No, Ext): (207) 829-3450	FAX (A/C, No): (207) 829-6350
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Maine Employers' Mutual Insurance Company		11149
INSURED The Memorial Hospital 3073 White Mountain Highway North Conway, NH 03860	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	
	INSURER G :	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

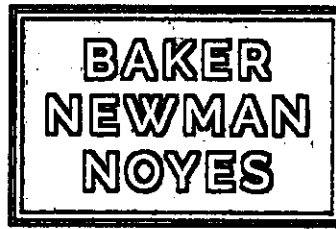
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMPOP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	3102806246	1/1/2020	1/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: Memorial Elder Health Services dba Mount Washington Valley Adult Day Center.

CERTIFICATE HOLDER State of New Hampshire Department of Health and Human Services 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	--

Memorial Elder Health Services

Mission Statement: The mission of Memorial Elder Health Services is to serve the physical, emotional, recreational, social and therapeutic needs of senior citizens afflicted with degenerative illnesses, associated with aging.



**The Memorial Hospital at
North Conway, N.H. and Subsidiaries**

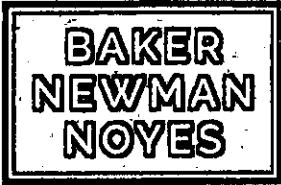
Audited Consolidated Financial Statements

For the Years Ended September 30, 2019 and 2018

Baker Newman & Noyes LLC

MAINE | MASSACHUSETTS | NEW HAMPSHIRE

800.244.7444 | www.bnn CPA.com



INDEPENDENT AUDITORS' REPORT

Board of Trustees
The Memorial Hospital at North Conway, N.H.

We have audited the accompanying consolidated financial statements of The Memorial Hospital at North Conway, N.H. and Subsidiaries ("the Hospital") which comprise the consolidated balance sheets as of September 30, 2019 and 2018, the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Trustees
The Memorial Hospital at North Conway, N.H.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of September 30, 2019 and 2018, the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the consolidated financial statements, in 2019, the Hospital adopted the provisions of Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, and ASU 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. Our opinion is not modified with respect to these matters.

Baker Newman + Noyes LLC

Portland, Maine
February 7, 2020

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

September 30, 2019 and 2018

ASSETS

	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 8,727,158	\$16,243,053
Investments (notes 4 and 5)	16,318,143	10,077,605
Patient accounts receivable (notes 3 and 8)	9,133,057	9,791,792
Due from Maine Healthcare and other member organizations	32,039	-
Other receivables	452,942	272,450
Inventories	2,422,314	2,039,482
Prepaid expenses	<u>461,693</u>	<u>248,512</u>
Total current assets	37,547,346	38,672,894
Investments whose use is limited by (notes 4 and 5):		
Specific purpose funds	459,818	386,141
Board designated funds	20,346,097	20,387,703
Funds functioning as endowment	<u>663,823</u>	<u>613,823</u>
Total investments whose use is limited	21,469,738	21,387,667
Property, plant and equipment, net (notes 6 and 8)	32,891,886	33,521,170
Other assets (note 7)	10,092,356	4,508,855
	<hr/>	<hr/>
Total assets	<u>\$102,001,326</u>	<u>\$98,090,586</u>

LIABILITIES AND NET ASSETS

	<u>2019</u>	<u>2018</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,586,051	\$ 2,070,071
Accrued salaries, wages and related amounts	996,063	1,407,939
Accrued earned time	1,256,570	1,147,589
Accrued interest	243,921	252,408
Estimated third-party payor settlements (note 3)	15,110,551	15,275,348
Deferred revenue	136,465	278,234
Due to Maine Healthcare and other member organizations (note 13)	2,399,636	2,406,815
Current portion of long-term debt	<u>814,061</u>	<u>775,272</u>
Total current liabilities	22,543,318	23,613,676
Long-term debt, less current portion (note 8)	14,207,119	15,052,240
Amounts payable to affiliated entities (note 14)	4,831,150	2,503,384
Other long-term liabilities (note 12)	<u>4,387,231</u>	<u>1,197,068</u>
Total liabilities	45,968,818	42,366,368
Net assets:		
Without donor restrictions	54,908,867	54,724,254
With donor restrictions (note 9)	<u>1,123,641</u>	<u>999,964</u>
Total net assets	<u>56,032,508</u>	<u>55,724,218</u>
Total liabilities and net assets	<u>\$102,001,326</u>	<u>\$98,090,586</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenue and other support without donor restrictions:		
Patient service revenue	\$74,898,493	\$72,744,366
Assets released from restriction for operations	138,499	212,426
Other revenue (note 2)	<u>2,856,109</u>	<u>2,378,298</u>
Total revenue and other support without donor restrictions	77,893,101	75,335,090
Expenses (notes 11 and 13):		
Salaries and wages	30,594,065	29,121,190
Employee benefits (note 2)	7,692,909	7,311,247
Supplies	9,969,491	11,171,148
Professional fees and purchased services	16,826,999	15,190,272
Facility and other costs	3,667,031	3,338,377
State taxes (note 3)	3,276,960	3,138,984
Interest (note 8)	886,922	837,448
Depreciation and amortization (notes 6 and 7)	<u>4,815,931</u>	<u>3,980,416</u>
Total expenses	<u>77,730,308</u>	<u>74,089,082</u>
Income from operations	162,793	1,246,008
Nonoperating gains (losses):		
Gifts and donations without donor restrictions	35	817
Investment income (note 4)	475,161	317,572
Recognized (loss) gain in fair value of investments (note 4)	(189,189)	1,639,523
Gain (loss) on sale of property, plant and equipment	<u>638</u>	<u>(64,877)</u>
	<u>286,645</u>	<u>1,893,035</u>
Excess of revenue over expenses	\$ <u>449,438</u>	\$ <u>3,139,043</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenue and other support without donor restrictions:		
Excess of revenue over expenses	\$ 449,438	\$ 3,139,043
Change in unrealized loss on investments (note 4)	-	(415,965)
Net assets released from restriction		
for property, plant and equipment	27,540	63,515
Equity transfer to Maine Healthcare (note 13)	<u>(292,365)</u>	<u>(270,088)</u>
Increase in net assets without donor restrictions	184,613	2,516,505
Net assets with donor restrictions:		
Gifts and donations	289,716	230,170
Net assets released from restriction for operations	(138,499)	(212,426)
Net assets released from restriction for		
property, plant and equipment	<u>(27,540)</u>	<u>(63,515)</u>
Increase (decrease) in net assets with donor restrictions	<u>123,677</u>	<u>(45,771)</u>
Increase in net assets	308,290	2,470,734
Net assets, beginning of year	<u>55,724,218</u>	<u>53,253,484</u>
Net assets, end of year	<u>\$56,032,508</u>	<u>\$55,724,218</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase in net assets	\$ 308,290	\$ 2,470,734
Adjustment to reconcile increase in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	4,815,931	3,980,416
Accretion of bond issuance cost and premium, net	(23,452)	(23,453)
Transfer to Maine Healthcare	292,365	270,088
Recognized loss (gain) on investments	189,189	(1,223,558)
Restricted contributions and income	(289,716)	(230,170)
Increase (decrease) in cash resulting from a change in:		
Patient accounts receivable	658,735	1,458,714
Other receivables	(180,492)	(95,198)
Inventories	(382,832)	66,648
Prepaid expenses	(213,181)	278,378
Other assets	(6,764,948)	(3,301,028)
Estimated third-party payor settlements	(164,797)	1,997,823
Accounts payable, accrued expenses and accrued interest	(492,507)	101,174
Accrued salaries, wages and related amounts	(411,876)	662,351
Accrued earned time	108,981	(242,868)
Deferred revenue	(141,769)	(4,491)
Other long-term liabilities	3,190,163	392,715
Due to MaineHealth and other member organizations	<u>(1,026,909)</u>	<u>758,178</u>
Net cash (used) provided by operating activities	<u>(528,825)</u>	<u>7,316,453</u>
Cash flows from investing activities:		
Purchase of investments	(6,511,798)	(12,773,492)
Purchases of property, plant and equipment	(3,007,596)	(3,280,462)
Proceeds from sale of property, plant and equipment	3,034	-
(Gain) loss on sale of property, plant and equipment	(638)	64,877
Proceeds from sale of investments	<u>-</u>	<u>4,931,052</u>
Net cash used by investing activities	<u>(9,516,998)</u>	<u>(11,058,025)</u>
Cash flows from financing activities:		
Proceeds from note payable to MaineHealth	3,315,457	2,666,051
Repayments of long-term debt	(613,919)	(584,468)
Repayment on capital lease obligations	(168,961)	(144,876)
Restricted contributions and income	289,716	230,170
Transfer to MaineHealth	<u>(292,365)</u>	<u>(270,088)</u>
Net cash provided by financing activities	<u>2,529,928</u>	<u>1,896,789</u>
Net decrease in cash and cash equivalents	(7,515,895)	(1,844,783)
Cash and cash equivalents at beginning of year	<u>16,243,053</u>	<u>18,087,836</u>
Cash and cash equivalents at end of year	<u>\$ 8,727,158</u>	<u>\$ 16,243,053</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 871,445</u>	<u>\$ 868,568</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

1. Reporting Entity

Organization

The Memorial Hospital at North Conway, N.H. (the Hospital) is a nonprofit hospital which provides acute care and long-term care services to residents of North Conway and the surrounding communities. The Memorial Hospital Foundation (the Foundation) was organized during 2014 for charitable purposes to act exclusively for the benefit of the Hospital. Memorial Elder Health Services (MEHS) was organized during 2017 to serve the long-term care needs of the community. MEHS began operations in 2019. The Hospital is the sole member of the Foundation and MEHS.

The Hospital is a subsidiary of MaineHealth Services (formerly name MaineHealth) located in Portland, Maine, which is an integrated health care delivery system serving southern, western and central Maine, and east central New Hampshire.

The subsidiaries of MaineHealth Services include MaineHealth, NorDx, MaineHealth Care at Home, and The Memorial Hospital of N. H. The subsidiary MaineHealth, whose former legal name was Maine Medical Center, includes eight acute care hospitals that were formally individual entities until the execution of a unification merger effective January 1, 2019. These hospitals are now local health systems within the subsidiary named MaineHealth utilizing DBAs of Maine Medical Center, Southern Maine Health Care, LincolnHealth, Western Maine Healthcare (Stephens Memorial Hospital), Franklin Community Health Network (Franklin Memorial Hospital), Maine Behavioral Healthcare, and Coastal Healthcare Alliance (Waldo County General Hospital and Pen Bay Medical Center). The merger enables the combined resources of the merging entities to be allocated in a manner that is consistent with the system's mission of helping make the communities it serves the healthiest in America.

MaineHealth Services, together with its controlled subsidiaries MaineHealth and the Memorial Hospital at North Conway, N.H., maintained a controlling interest in MaineHealth Accountable Care Organization, LLC (MaineHealth ACO), a valued based contracting entity.

All activity with these other entities is disclosed as activity with other member organizations.

2. Significant Accounting Policies

The accounting policies that affect the more significant elements of the financial statements are summarized below:

Principles of Consolidation

The accompanying financial statements include the accounts of the Hospital, MEHS and the Foundation, which are collectively referred to as the "Hospital" herein. All material intercompany accounts and transactions have been eliminated in consolidation.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant areas which are affected by the use of estimates are patient accounts receivable and estimated third-party payor settlements.

Cash and Cash Equivalents

Cash and cash equivalents include all demand deposit accounts, short-term money market accounts and certificates of deposit with original maturities of three months or less, excluding cash within investments and amounts classified as investments whose use is limited.

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off.

Prior to October 1, 2018, management of the Hospital and its affiliates provided for probable uncollectable accounts through a charge to the provision for bad debts and a credit to a valuation allowance based on its assessment of individual accounts and historical adjustments. Under the provisions of Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, which was adopted effective October 1, 2018, when the Hospital has an unconditional right to payment, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is an unconditional right to payment, and estimated amounts due from third-party payors for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For patient accounts receivable subsequent to the adoption of ASU 2014-09 on October 1, 2018, the estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable rather than allowance for doubtful accounts.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies

Investments

The fair value topic of the Accounting Standards Codification (ASC) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Under GAAP, certain assets and liabilities must be measured at fair value, and disclosures are required for items measured at fair value. Entities may elect to report financial instruments and certain other items at fair value on a contract-by-contract basis with changes in value reported in the excess of revenue over expenses. The Hospital elected to exclude the change in fair value, and unrealized gains and losses, from the excess of revenue over expenses for investments and investments whose use is limited purchased prior to 2017. Throughout 2018 the existing investment portfolio was sold and new investments held by Maine Medical Center were purchased. At September 30, 2019 and 2018, investments and investments whose use is limited in the amount of \$36,577,864 and \$30,386,778, respectively, were held by Maine Medical Center and the related change in fair value is reflected in the excess of revenue over expenses. The change in unrealized gains and losses decreased \$415,965 in 2018 as a result of the sale of investments purchased prior to 2017. This decrease is included in the increase in net assets without donor restrictions.

Investments are measured at fair value on the balance sheet. Investment income, including realized gains and losses on investments, interest and dividends, is included in the excess of revenue over expenses unless the income is restricted by donor or law. Gains and losses on sales of investments are computed based on specific identification of the investment sold.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets, statements of operations, and changes in net assets.

Inventories

Inventories are carried at the lower of cost (determined by the first-in, first-out method) or net realizable value.

Investments Whose Use is Limited

Investments whose use is limited primarily includes designated investments set aside by the Board of Trustees for future capital improvements over which the Board retains control and may at its discretion subsequently use for other purposes. In addition, investments whose use is limited include investments restricted by donors for specific purposes or periods, as well as investments restricted by donors to be held in perpetuity by the Hospital, and the related appreciation on those investments. Amounts required to meet current liabilities of the Hospital have been classified as current assets.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

Property, Plant and Equipment

Property, plant and equipment are recorded at cost. The carrying value is reviewed if the facts and circumstances suggest that it may be impaired. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the accompanying financial statements. Interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of acquiring those assets.

Gifts of long-lived assets such as land, buildings or equipment are reported as increases in net assets without donor restrictions and are excluded from the excess of revenue over expenses. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulation about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Net Assets With Donor Restrictions

Net assets with donor restrictions are those subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Hospital or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met. The gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of operations as net assets released from restriction.

Income From Operations

Revenue which is related to patient medical care and which is normal to day-to-day operations of the Hospital is included in operating income. Activities that result in gains and losses unrelated to the Hospital's primary mission are considered to be nonoperating. Nonoperating gains and losses include gifts and donations, return on investments and other miscellaneous amounts.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

Excess of Revenue Over Expenses

The accompanying statements of operations include excess of revenue over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenue over expenses include equity transfers to MaineHealth, certain changes in unrealized gains or losses on investments and contributions for long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets).

Patient Service Revenue

Effective October 1, 2018 upon the adoption of ASU 2014-09, accounting policies were revised and patient service revenue is reported at the amount that reflects the consideration to which the Hospital expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration (reductions to revenue) for retroactive revenue adjustments due to settlement of ongoing and future audits, reviews, and investigations.

The Hospital uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios primarily consist of major types of payors. Based on historical collection trends and other analyses, the Hospital believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

Charity Care

The Hospital accepts all patients regardless of their ability to pay. A patient qualifies for free care based upon certain established policies of the Hospital. These policies define free care as those services for which no payment is anticipated. Free care provided is not included in patient service revenue. Costs and expenses incurred in providing these services are included in operating expenses.

Meaningful Use

The Hospital has implemented Electronic Health Record Technology (EHR) effective December 1, 2018. The Hospital qualified and applied for meaningful use incentive payments from Medicare and Medicaid related to the implementation of EHR as provided for under the Health Information Technology for Economic and Clinical Health Act. As a result, the Hospital recognized \$72,250 of other revenue associated with these payments for the year ended September 30, 2018. There were no amounts recognized in 2019.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

Employee Benefit Plan

The Hospital has a tax-sheltered annuity plan under which contributions can be made into the plan by all employees. The Hospital makes contributions to the plan, computed at a percentage of yearly earnings, for eligible employees with one year of service. Hospital contributions charged to operations amounted to \$601,192 and \$543,603 during the years ended September 30, 2019 and 2018, respectively. This plan was terminated on January 2, 2019 and all assets were either distributed from the plan to participants or transferred to the MaineHealth 403(b) Retirement Plan. All future contributions will be contributed to the MaineHealth 403(b) Retirement Plan.

Accretion/Amortization

Bond premiums are accreted over the term of the bonds using a method approximating the effective interest method. Bond issuance costs and intangibles are amortized using the straight-line method over their estimated useful lives.

Income Taxes

The Hospital and its subsidiaries are not-for-profit corporations and have been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code.

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by the Financial Accounting Standards Board (FASB), assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position. Estimated interest and penalties, if applicable, related to uncertain tax positions are included as a component of income tax expense.

The Hospital has evaluated the position taken on its filed tax returns. The Hospital has concluded no uncertain income tax positions exist at September 30, 2019.

Subsequent Events

Events occurring after the balance sheet date are evaluated by management to determine whether such events should be recognized or disclosed in the financial statements. Management has evaluated subsequent events through February 7, 2020 which is the date the financial statements were available to be issued.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which replaces most existing revenue recognition guidance in U.S. generally accepted accounting principles (GAAP) and is intended to improve and converge with international standards the financial reporting requirements for recognizing revenue from contracts with customers. The core principle of ASU 2014-09 is that an entity should recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services. ASU 2014-09 also requires additional disclosures about the nature, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments. Effective October 1, 2018, the Hospital has elected the full retrospective application for the adoption of the guidance to all contracts under scope of the guidance and there was no material impact to the Hospital related to its existing revenue streams. Periods prior to adoption have been displayed to conform to the net presentation of a single patient service revenue total in the consolidated statements of operations. Previously, the period ended September 30, 2018 included separate lines for patient revenue prior to provision for bad debts of \$78,246,143, provision for bad debts of \$5,501,777, and net patient service revenue less provision for bad debts of \$72,744,366. The related presentation of "allowances for doubtful accounts" on the consolidated balance sheets has also been eliminated as a result of the adoption of the standard.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) (ASU 2016-14) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. ASU 2016-14 is effective for the Hospital for the year ended September 30, 2019. The Hospital has adjusted the presentation of these statements and related footnotes accordingly. The ASU has been applied retrospectively to all periods presented. Previously, the consolidated balance sheets displayed temporarily restricted net assets of \$386,141 and permanently restricted net assets of \$613,823.

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The Hospital has elected to early adopt ASU 2018-08 for the year ended September 30, 2019 and has applied the standard on a modified prospective basis. The amendments in this update assists entities in (1) evaluating whether transactions should be accounts for as contributions (nonreciprocal transactions) with the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The application of the guidance did not have a material impact on the consolidated financial statements.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Significant Accounting Policies (Continued)

Prospective Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. ASU 2016-02 is effective for the Hospital on October 1, 2019, with early adoption permitted. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. The Hospital is currently evaluating the impact of the pending adoption of ASU 2016-02 on the financial statements.

3. Patient Service Revenue

In May 2014, the FASB issued a new standard related to revenue recognition. The Hospital adopted the new standard effective October 1, 2018, using the full retrospective method. The adoption of the new standard did not have an impact on the recognition of revenues for any periods prior to adoption. The most significant impact of adopting the new standard is the presentation of the consolidated statements of operations, where the "provision for bad debt" is no longer presented as a separate line item and "net patient service revenue" is presented net of estimated implicit price concession revenue deductions. The related presentation of "allowances for doubtful accounts" has also been eliminated from the consolidated balance sheets as a result of the adoption of the new standard.

Revenues generally relate to contracts with patients in which the Hospital's performance obligations are to provide health care services to patients. Revenues are recorded during the period obligations to provide health care services are satisfied. Performance obligations for inpatient services are generally satisfied over a period of days. Performance obligations for outpatient services are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payor (Medicare, Medicaid, managed care health plans and commercial insurance companies, including plans offered through the health insurance exchanges) and the transaction prices for the services provided are dependent upon the terms provided by Medicare and Medicaid or negotiated with managed care health plans and commercial insurance companies, the third-party payors. The payment arrangements with third-party payors for the services provided to related patients typically specifies payments at amounts less than standard charges. Medicare generally pays for inpatient and outpatient services at prospectively determined rates based on clinical, diagnostic and other factors. Services provided to patients having Medicaid coverage are generally paid at prospectively determined rates per discharge, per identified service or per covered member. Agreements with commercial insurance carriers, managed care and preferred provider organizations generally provide for payments based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates. Management continually reviews the revenue recognition process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

3. Patient Service Revenue (Continued)

Revenues are based upon estimated amounts that the Hospital expects to be entitled to receive from patients and third-party payors. Revenues under managed care and commercial insurance plans are based upon the payment terms specified in the related contractual agreements. Revenues related to uninsured patients and uninsured copayment and deductible amounts for patients who have health care coverage may have discounts applied (uninsured discounts and contractual discounts) and the recorded revenue is based primarily on historical collection experience.

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of payment arrangements with major third-party payors is as follows:

Medicare and Medicaid Programs - The Hospital converted to a critical access hospital (CAH) on November 1, 2004. CAHs are paid based upon cost for most Medicare services. Medicaid acute care services are paid based on a prospectively determined fixed price depending on the type of illness or the patient's diagnostic-related group classification. The Hospital is reimbursed based upon cost for Medicaid outpatient services. The Hospital receives payment for Medicare and Medicaid inpatient and outpatient services on a reasonable cost basis, which is settled with retroactive adjustments upon completion and audit of related cost reports. The Hospital's cost reports have been audited and settled through June 30, 2011 for Medicare and Medicaid.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Hospital believes that it is in compliance with all laws and regulations, and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known. The differences between amounts previously estimated and amounts subsequently determined to be recoverable from third-party payors increased patient service revenue by approximately \$203,000 and \$980,000 during the years ended September 30, 2019 and 2018, respectively. Revenues for all patient services from the Medicare and Medicaid programs accounted for approximately 47% and 51% of the Hospital's patient service revenue for the years ended September 30, 2019 and 2018, respectively.

Medicaid disproportionate share hospital (DSH) payments provide financial assistance to hospitals that serve a large number of low-income patients. The federal government distributes federal DSH funds to each state based on a statutory formula. The states, in turn, distribute their portion of the DSH funding among qualifying hospitals. The states are to use their federal DSH allotments to help cover costs of hospitals that provide care to low-income patients when those costs are not covered by other payors. The State of New Hampshire's distribution of DSH monies to the hospitals is subject to audit by the Centers for Medicare and Medicaid Services (CMS). Amounts recorded by the Hospital are therefore subject to change. The Hospital estimated and recorded the impact of DSH settlements for the years subject to audit from fiscal year 2012 through September 30, 2019. The disproportionate share payments amounted to \$6,227,555 and \$4,872,295 for the years ended September 30, 2019 and 2018, respectively, and are recorded as an increase in patient service revenue.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

3. **Patient Service Revenue (Continued)**

The Hospital pays a patient service revenue tax of 5.5%, which amounted to \$3,090,513 and \$2,937,914 for the years ended September 30, 2019 and 2018, respectively, which are recorded as operating expenses. In addition, the Hospital paid \$186,447 and \$201,070 in resident service revenue tax for the years ended September 30, 2019 and 2018, respectively.

Nongovernmental Payors - The Hospital also maintains contracts with Blue Cross and various other payors, which pay the Hospital for services based on charges with varying discounts.

Uninsured Patients - The Hospital does not pursue collection of amounts determined to qualify as charity care; therefore they are not reported as net revenues.

The Hospital has a formal charity care policy under which patient care is provided to patients who meet certain criteria without charge or at amounts less than its established rates. The Hospital rendered charity care in accordance with its formal charity care policy, which, at established charges, amounted to \$1,147,284 and \$1,122,810 for the years ended September 30, 2019 and 2018, respectively. The estimated cost of charity includes the direct and indirect cost of providing charity care services, offset by revenues received from financial assistance donations. The cost is estimated by utilizing a ratio of cost to gross charges applied to the gross uncompensated charges associated with providing charity care. The cost of charity care provided amounted to \$624,126 and \$599,337 for the years ended September 30, 2019 and 2018, respectively. There were no donations received to offset charity services provided for the years ended September 30, 2019 and 2018.

The Hospital provides 100% free care to anyone whose income falls below 175% of the federal poverty level. In addition, the Hospital offers a self-pay discount for patients who are uninsured.

Patient service revenues by payor are as follows for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Medicare	\$29,069,528	\$27,711,756
Medicaid	12,295,099	10,288,164
Anthem Blue Cross and Blue Shield	11,180,617	6,496,922
Other third-party payors	14,913,497	25,274,710
Patients	<u>7,439,752</u>	<u>2,972,814</u>
Patient service revenue	<u>\$74,898,493</u>	<u>\$72,744,366</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

4. Investments Whose Use is Limited

The composition of investments whose use is limited as well as the composition of those investments at September 30 are set forth in the following table:

	<u>2019</u>	<u>2018</u>
Investments – current assets	\$16,318,143	\$10,077,605
Investments whose use is limited	<u>21,469,738</u>	<u>21,387,667</u>
	<u>\$37,787,881</u>	<u>\$31,465,272</u>

The composition of investments is as follows at September 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 1,210,017	\$ 1,078,494
Cash and cash equivalents held by Maine Medical Center	16,318,143	10,076,522
Pooled investments held by Maine Medical Center	<u>20,259,721</u>	<u>20,310,256</u>
	<u>\$37,787,881</u>	<u>\$31,465,272</u>

Investments whose use is limited include amounts restricted by donors as well as amounts designated by the Board.

Maine Medical Center invests certain assets on behalf of the Hospital. Maine Medical Center invests the amount in a pooled investment fund and allocates the return from the investment pool to the Hospital. The investment pool is invested in a variety of investments and amounts are available to the Hospital on demand.

Pooled investments held at Maine Medical Center consist of the following at September 30, 2019:

U.S. equity	25%
Global equity	26
Emerging markets	10
Marketable alternatives	19
Bonds	14
Marketable hard assets	6

Investment income and (losses) gains consisted of the following for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Interest and dividends, net of expenses	\$ 475,161	\$ 317,572
Recognized (losses) gains on investments	<u>(189,189)</u>	<u>1,223,558</u>
	<u>\$ 285,972</u>	<u>\$ 1,541,130</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

5. Fair Value of Financial Instruments

GAAP has established a fair value hierarchy that results in classification of assets and liabilities within three different levels. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities not based on market exchange transactions are classified as Level 3. Level 3 valuations incorporate certain assumptions in determining the fair value assigned to such assets or liabilities.

In determining the appropriate levels, the Hospital performs a detailed analysis of the assets that are subject to fair value measurements.

The following tables present the balances of assets and liabilities measured at fair value at September 30 on a recurring basis:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2019</u>				
Cash and cash equivalents	\$ 1,210,017	\$ –	\$ –	\$ 1,210,017
Investments held by Maine Medical Center	<u>–</u>	<u>36,577,864</u>	<u>–</u>	<u>36,577,864</u>
	<u>\$ 1,210,017</u>	<u>\$36,577,864</u>	<u>\$ –</u>	<u>\$37,787,881</u>
<u>2018</u>				
Cash and cash equivalents	\$ 1,078,494	\$ –	\$ –	\$ 1,078,494
Investments held by Maine Medical Center	<u>–</u>	<u>30,386,778</u>	<u>–</u>	<u>30,386,778</u>
	<u>\$ 1,078,494</u>	<u>\$30,386,778</u>	<u>\$ –</u>	<u>\$31,465,272</u>

Investments held by Maine Medical Center are classified as Level 2.

The Hospital's financial instruments consist of cash and cash equivalents, investments, assets limited as to use, trade accounts receivable and payable, amounts receivable from and payable to third-party reimbursing agencies, a capital lease obligation, and long-term debt. The fair value of investments is primarily based on the market prices of the underlying assets. The fair values of all other financial instruments approximate their carrying values at September 30, 2019 and 2018.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

6. Property, Plant and Equipment

Property, plant and equipment consists of the following at September 30:

	<u>2019</u>	<u>2018</u>
Land and land improvements	\$ 7,538,774	\$ 7,337,097
Buildings and improvements	52,663,659	51,939,371
Equipment	30,262,865	28,687,908
Construction in progress	<u>307,357</u>	<u>1,268,118</u>
	90,772,655	89,232,494
Less accumulated depreciation	<u>(57,880,769)</u>	<u>(55,711,324)</u>
	<u>\$ 32,891,886</u>	<u>\$ 33,521,170</u>

Depreciation expense for the years ended September 30, 2019 and 2018 was \$4,035,762 and \$3,643,063, respectively.

The cost of assets recorded under capital leases totaled \$816,145 at September 30, 2019 and 2018. The cost of these assets has been included with property, plant and equipment and accumulated amortization with allowances for depreciation. Amortization expense for assets under capital lease was \$153,319 and \$155,271 for the years ended September 30, 2019 and 2018, respectively, and has been included with depreciation expense in the accompanying financial statements. Accumulated amortization associated with the lease totaled \$524,230 and \$370,911 at September 30, 2019 and 2018, respectively.

7. Other Assets

Other assets consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Estimated insurance recoveries	\$ 3,550,800	\$ 479,600
Investment in MaineHealth Accountable Care Organization, LLC	186,175	135,909
SeHR and systemwide assets	6,187,282	3,838,911
SeHR debt service reserve fund	<u>168,099</u>	<u>54,435</u>
	<u>\$10,092,356</u>	<u>\$ 4,508,855</u>

MaineHealth established an information systems project, known as the SeHR (Shared electronic Health Record) Project, that will implement a systemwide integrated electronic health record system and financial system. The SeHR Project is an integrated suite of technology solutions to support the healthcare delivery for MaineHealth members, providers and the communities MaineHealth serves. Initial funding for the Project was drawn from cash reserves held by MaineHealth and many of the subsidiary members.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

7. Other Assets (Continued)

The cost of assets recorded through this project consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
SeHR Project software costs	\$6,221,782	\$3,476,543
Systemwide assets	<u>914,543</u>	<u>684,561</u>
	7,136,325	4,161,104
Accumulated amortization	<u>(949,043)</u>	<u>(322,193)</u>
	<u>\$6,187,282</u>	<u>\$3,838,911</u>

Amortization expense for these assets was \$626,850 and \$182,082 for the years ended September 30, 2019 and 2018, respectively, and is included in depreciation and amortization expense in the accompanying financial statements.

The Hospital's allocated portion of the SeHR expenditure is estimated to be \$8.7 million. Through 2019, the Hospital has paid MaineHealth approximately \$792,000, and financed approximately \$6,000,000 through a note payable (see Note 14).

8. Long-Term Debt

Long-term debt consists of the following at September 30:

	<u>2019</u>	<u>2018</u>
The Authority Revenue Bonds, Series 2016 with a variable interest rate ranging from 4.0% to 5.50% per year and required principal payments ranging from \$430,000 to \$1,175,000 through June 1, 2036	\$13,500,000	\$13,985,000
TD Bank loan with an interest rate of 3.52% per year and required monthly payments of \$7,556 of principal plus interest through October 31, 2025. The remaining principal balance plus interest will be due at the maturity date on September 18, 2025	862,872	991,791
Capital lease obligations	<u>281,402</u>	<u>450,363</u>
	14,644,274	15,427,154
Unamortized premium	790,289	837,705
Unamortized deferred issuance costs	<u>(413,383)</u>	<u>(437,347)</u>
	15,021,180	15,827,512
Less current portion	<u>(814,061)</u>	<u>(775,272)</u>
	<u>\$14,207,119</u>	<u>\$15,052,240</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

8. Long-Term Debt (Continued)

In December 2016, the Authority issued tax-exempt revenue bonds for the Memorial Hospital Issue, Series 2017, totaling \$14,875,000. The Series 2016 Bonds, together with other available funds were issued to refund the Authority Revenue Bonds, Series 2006 and to pay certain costs incurred in connection with the issuance of the Series 2016 Bonds. These bonds were issued under the Master Trust Indenture for The Memorial Hospital at North Conway, N.H. and Memorial Hospital Foundation of North Conway, Inc., as an Obligated Group.

Under the terms of the loan agreement, the Hospital has granted the Authority a security interest in its gross receipts and equipment, and a mortgage lien on the facility. In addition, under the terms of the bond indenture and loan agreement, the Hospital is required to meet certain covenant requirements. The Hospital was in compliance with these loan covenants at September 30, 2019 and 2018.

Deferred financing costs of \$413,383 and \$437,347 in 2019 and 2018, respectively, are reported as a component of long-term debt and represent the costs incurred in connection with the issuance of the bonds. These costs are being amortized over the terms of the bonds. Amortization expense for the years ended September 30, 2019 and 2018, was \$23,964 and is included in interest expense. The original issue premium is accreted over the term of the related bonds using the effective interest method.

Interest paid totaled \$871,445 and \$868,568 for the years ended September 30, 2019 and 2018, respectively.

Scheduled maturities for the next five years and thereafter of outstanding debt at September 30, 2018 are as follows:

	<u>Capital Lease Obligation</u>	<u>Bonds and Notes</u>
2020	\$182,335	\$ 643,531
2021	109,154	673,308
2022	6,043	708,256
2023	—	743,381
2024	—	778,689
Thereafter	<u>—</u>	<u>10,815,707</u>
	297,532	\$ <u>14,362,872</u>
Less amounts representing interest under capital leases	<u>(16,130)</u>	
	<u>\$281,402</u>	

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

9. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes and consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Purpose restriction:		
Equipment	\$ 15,983	\$ 10,702
Community health and wellness	217,571	153,502
Diabetes education and assistance	90,379	126,822
Other	<u>135,885</u>	<u>95,115</u>
	459,818	386,141
 Perpetual in nature:		
Income on which is restricted to provide charity care	<u>663,823</u>	<u>613,823</u>
	<u>\$1,123,641</u>	<u>\$999,964</u>

The Hospital has adopted an investment policy that is diversified with the objective of providing income and growth over the long term. Investment accounts exist to benefit and support the mission of the Hospital in accordance with any stipulations set forth by donors. Funds are to be invested in a prudent manner consistent with the goals of liquidity, income generation, and capital preservation. The Hospital's assets are allocated based on percentage ranges within marketable equity securities, fixed income, and cash and cash equivalents.

The following is a summary of the endowment net asset composition by type of fund at September 30, 2019 and 2018, and the changes therein for the years then ended:

	<u>Perpetual in Nature</u>
Endowment net assets – September 30, 2017	\$613,823
Net investment income	<u>—</u>
Endowment net assets – September 30, 2018	613,823
Change in donor intent	<u>50,000</u>
Endowment net assets – September 30, 2019	<u>\$663,823</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

10. Concentration of Credit Risk

Financial instruments which potentially subject the Hospital to concentration of credit risk consist of cash, patient accounts receivable and certain investments. The risk with respect to cash equivalents is minimized by the Hospital's policy of investing in financial instruments with short-term maturities issued by highly rated financial institutions. The Hospital maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Hospital has not experienced any losses in such accounts and believes it is not exposed to any significant risk at September 30, 2019. Investments are not concentrated in any corporation or industry. The Hospital grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of gross patient accounts receivables from patients and third-party payors was as follows at September 30:

	<u>2019</u>	<u>2018</u>
Medicare	30%	26%
Medicaid	14	11
Commercial insurance and other	24	36
Patients	25	21
Blue Cross	<u>7</u>	<u>6</u>
	<u>100%</u>	<u>100%</u>

11. Functional Expenses

The Hospital provides health care services. Expenses related to providing these services are as follows for the year ended September 30, 2019:

	<u>Healthcare</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries, wages and employee benefits	\$28,938,257	\$ 9,348,717	\$38,286,974
Supplies	9,713,941	255,550	9,969,491
Professional fees and purchased services	9,290,910	7,536,089	16,826,999
Healthcare provider tax	-	3,276,960	3,276,960
Depreciation and amortization	3,467,470	1,348,461	4,815,931
Other operating expenses	974,719	2,692,312	3,667,031
Interest	<u>638,585</u>	<u>248,337</u>	<u>886,922</u>
	<u>\$53,023,882</u>	<u>\$24,706,426</u>	<u>\$77,730,308</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

11. **Functional Expenses (Continued)**

The Hospital provides general healthcare services to residents within its geographic region. Expenses related to providing these services are as follows for the year ended September 30, 2018:

Professional care of patients	\$46,091,731
Dietary	1,063,592
Household and property	3,281,112
Administrative and general services	15,695,799
Hospital tax	3,138,984
Interest	837,448
Depreciation and amortization	<u>3,980,416</u>
	<u>\$74,089,082</u>

The financial statements report certain expense categories that are attributable to more than one healthcare service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function are allocated to a functional region based on a square-footage or units-of-service basis.

12. **Commitments and Contingencies**

Malpractice Loss Contingencies

The Hospital insures its medical malpractice risks on a claims made basis. At September 30, 2019 and 2018, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of insurance coverage nor are there any unasserted claims or incidents which require loss accrual. The Hospital intends to renew coverage on a claims made basis and anticipates that such coverage will be available.

In accordance with ASU No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, the Hospital recorded a liability of \$3,550,800 and \$479,600 related to potential exposure arising from professional liability losses at September 30, 2019 and 2018, respectively. The Hospital also recorded a receivable of \$3,550,800 and \$479,600 at September 30, 2019 and 2018, respectively, related to estimated recoveries under insurance coverage for recoveries of the potential losses. In addition to the foregoing, at September 30, 2019 and 2018, the Hospital recorded an estimated liability of potentially incurred but not reported claims of approximately \$836,000 and \$717,000, respectively.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

13. Related Party Transactions

During the years ended September 30, 2019 and 2018, the Hospital was billed approximately \$8,912,000 and \$8,519,000, respectively, in expenses related to affiliation fees, employee health, dental, life and disability insurance, workers' compensation insurance, and property, auto and directors' and officers' insurance by MaineHealth. There are no retroactive adjustments to the Hospital for amounts paid to MaineHealth for the employee health benefits or workers' compensation.

Other expenses related to services provided by Maine Healthcare and member organizations at September 30 are as follows:

	<u>2019</u>	<u>2018</u>
Maine Medical Center	\$5,205,667	\$4,416,555
Maine Medical Partners	334,791	207,502
NorDx	2,405,473	1,864,838
Southern Maine Health Care	243,880	201,809
Stephens Memorial Hospital	523,294	343,847

The net amount due to Maine Healthcare and member organizations was as follows at September 30:

	<u>2019</u>	<u>2018</u>
MaineHealth	\$1,851,045	\$1,732,786
Maine Medical Center	157,839	396,882
Maine Medical Partners	96,941	21,655
NorDx	186,066	196,454
Pen Bay Medical Center	83	-
Southern Maine Health Care	28,700	32,471
Stephens Memorial Hospital	41,597	26,567
Western Maine Health Care Corporation	<u>5,326</u>	<u>-</u>
	<u>\$2,367,597</u>	<u>\$2,406,815</u>

During the years ended September 30, 2019 and 2018, the Hospital transferred \$292,365 and \$270,088, respectively, to Maine Healthcare.

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

14. Amounts Payable to Affiliated Entities

Amounts payable to affiliates as of September 30, 2019 and 2018 includes the allocable share of amounts due to MaineHealth as purchased services under a specific system funding agreement (SFA) related to the SeHR Project.

	<u>2019</u>	<u>2018</u>
Allocable share of purchased services supported by the MaineHealth Revenue Bond – Finance Authority of Maine (FAME)	\$5,536,666	\$2,684,543
Less current portion	<u>(705,516)</u>	<u>(181,159)</u>
	<u>\$4,831,150</u>	<u>\$2,503,384</u>

MaineHealth Services financed an information systems project, known as the SeHR (Shared electronic Health Record) Project, with loans entered into in 2014 and 2017. The SeHR Project will implement a system wide integrated electronic health record system and financial system and consists of an integrated suite of technology solutions to support the healthcare delivery for MaineHealth Services members, providers and the communities MaineHealth serves. In 2014, MaineHealth Services borrowed up to \$101,500,000 in both tax exempt and taxable loans. The tax-exempt loan was for up to \$94,800,000 and financed through a revenue bond issued by the Finance Authority of Maine (FAME) and purchased by TD Bank, N.A. The taxable loan was a term loan with TD Bank, N.A. for up to \$6,700,000. In 2017, MaineHealth Services secured additional borrowings of up to \$59,200,000 million in both tax exempt and taxable loans to finance implementation of the SeHR Project with additional subsidiaries and to complete the project. The 2017 tax-exempt loan was for \$55,500,000 and financed through a revenue bond again issued by FAME and purchased by TD Bank, N.A.. The taxable loan was a term loan with TD Bank, N.A. for up to \$3,700,000

The amounts payable represent the Hospital's allocable share of purchased services related to the SeHR Loan SFA with MaineHealth Services. Per the agreement, amounts payable to MaineHealth Services are reflective of the principal and interest amounts due on obligations incurred by MaineHealth Services. MaineHealth has agreed to be indirectly responsible for amounts owed by the Hospital. The amount held in MaineHealth Services' Debt Service Reserve fund for the agreement was \$168,099 at September 30, 2019.

Annual principal maturities of notes payable to affiliates for the next five fiscal years after September 30, 2019, and the years thereafter are as follows (in thousands):

Years ending September 30:	
2020	\$ 705,516
2021	721,424
2022	736,426
2023	751,741
2024	767,374
Thereafter	<u>1,854,185</u>
Total notes payable to affiliates	<u>\$5,536,666</u>

THE MEMORIAL HOSPITAL AT NORTH CONWAY, N.H. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018

15. Liquidity and Availability

The Hospital's working capital and cash flows are subject to variability during the year attributable to changes in volume and cash receipts. The Hospital maintains investments portfolios without donor restrictions to manage fluctuations in cash flow.

The following table reflects the Hospital's financial assets for the period ending September 30, 2019, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditures. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board of Trustees approves the action.

Cash and cash equivalents	\$ 8,727,158
Short-term investments	16,318,143
Patient accounts receivable	9,133,057
Donor restricted	<u>459,818</u>
	<u>\$34,638,176</u>

Memorial Elder Health Services

BOARD OFFICERS

Board Chair: Mary DeVeau
Vice Chair: Laura Jawitz
Treasurer: Ed Kelly
Secretary: Michelle O'Donnell

Name & Email Address	Mailing Address
DeVeau, Mary	PO Box 143 Jackson, NH 03846
Jawitz, Laura	PO Box 300 Madison, NH 03849
Kelly, Ed	PO Box 1416 Glen, NH 03838
O'Donnell, Michelle	PO Box 2686 North Conway, NH 03860
Ray, Corinne	PO Box 567 Glen, NH 03838
Mathisen, Arthur	3073 White Mountain Hwy North Conway, NH 03860

Susan M Ruka, RN, PHD

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Experience

MEMORIAL HOSPITAL MAINEHEALTH

Director of Memorial Elder Health Services present

MERRIMAN HOUSE – LONG TERM CARE FACILITY OF THE MEMORIAL HOSPITAL – NORTH CONWAY, NH

Administrator, August 2001 to present

Director of Nursing Services, 1997 -2002

MEMORIAL HOSPITAL—NORTH CONWAY, NH

Director of Population Health, Jan 2015-present

THE MEMORIAL HOSPITAL – NORTH CONWAY, NH

Vice President Quality and Elderly Services, July 2009-Jan 2015

THE MEMORIAL HOSPITAL – NORTH CONWAY, NH

Clinical Nursing Coordinator, 1995 – 1997

THE MEMORIAL HOSPITAL – NORTH CONWAY, NH

Nurse Manager – Medical/Surgical Unit, 1993 – 1995

THE MEMORIAL HOSPITAL – NORTH CONWAY, NH

Administrative Nursing Coordinator, 1987 – 1993

NORTHERN CUMBERLAND MEMORIAL HOSPITAL – BRIDGTON, ME

Staff Nurse, Critical Care Unit and Obstetrics, 1985 – 1987

NORTHERN CUMBERLAND MEMORIAL HOSPITAL – BRIDGTON, ME

Nurse Manager of Medical/Surgical Unit, 1983 – 1985

NORTHERN CUMBERLAND MEMORIAL HOSPITAL – BRIDGTON, ME

Staff Nurse Obstetrics, Medical/Surgical Unit, 1981 – 1983

CONNECTICUT HOSPICE – BRANFORD, CT

Home Care Staff Nurse, 1980-1981

NEW ENGLAND DEACONESS HOSPITAL – BOSTON, MA
Assistant Head Nurse/Unit Teacher, 1977 – 1980

NEW ENGLAND DEACONESS HOSPITAL – BOSTON, MA
Primary Care Staff Nurse, 1976 - 1977

Education

BOSTON COLLEGE
PhD in Nursing-- 2003 Geriatric focus

BOSTON COLLEGE
MSN – Community Health Nursing, 1997

UNIVERSITY OF NEW HAMPSHIRE
BSN – Nursing, 1995

NEW ENGLAND DEACONESS SCHOOL OF NURSING
RN – Nursing, 1976

Professional Activities

- 2018-present
NH Alliance for Healthy Aging
- 2018-present
MWV AARP Age Friendly Community Steering Committee
- 2016-present
MWV Regional Collaborative Steering Committee
- 2011-present
Visiting Nurse Home Care Hospice Services of Northern Carroll County Board member
- 2009-present
Community Health Collaborative (Northern Carroll County and Western Maine)
- 2015-present
Carroll County Coalition for Public Health Advisory Council Executive Committee board member
- 2016-present
Integrated Delivery Network 7 Steering Committee (Medicaid 1115 waiver)
- 2010-2015
Carroll County Coalition for Public Health Board member and then Board President (organization became affiliate of GUW)
- 2012 *Quality Improvement Fellowship Partnership for Patients*
- 2011-2015
Evergreen Center for Wellness Board Member and then Board President
- 2009-2011

- President on Board of Directors Carroll County Health and Home Care-agency then merged now am board member on merged board*
- 1997-present
Service Link Resource Center Advisory Board member
- JUNE 2010-present
Coordinated Community Health Assessment for Northern Carroll County
- MAY 2010
Memorial Hospital Employee of the Year
- MAY 2003
Dorothy a. Jones Award for Scholarship, Service and Development in Nursing
- MARCH 2001
Award for significant contribution to patient care for the study "Efficacy of a Therapeutic Bathing Intervention" presented at the "Caring for Patients with Alzheimer's Disease: Providing a Positive Environment" interdisciplinary conference. The Geriatric Research Education & Clinical Center at the Bedford Veterans Administration and Northeastern University School of Nursing sponsored the conference and the award.
- MAY 2000
Alpha Chi Chapter-Sigma Theta Tau Research Grant Recipient – Efficacy of a Therapeutic Bathing Intervention for Persons with Dementia Living in a Nursing Home.
- MAY 2000
Eota Chapter-Sigma Theta Tau Research Grant Recipient – Efficacy of a Therapeutic Bathing Intervention for Persons with Dementia Living in a Nursing Home.
- 1997 *Recipient of Lamplighter's Award by NESHCO for community outreach efforts*
- 1996 *Developed Profile of community health status of Northern Carroll County*
- 1995 – 1998
Project Coordinator for Federal and State funded Breast & Cervical Cancer Screening Program
- 1995 – PRESENT
Community Health Education Coalition for Northern Carroll County. Developed coalition and served as chairperson (1995 – 1998) and member (1998 – 2000).
- 1995 – 1997
Steering Committee Member for Primary Care Access Feasibility Study
- 1995 – 1997
Federal Training Grant recipient, Boston College
- 1994 – PRESENT
Sigma Theta Tau Member
- 1994 – 1996
NH Nursing Association Government Affairs Committee

Publications:

Ruka, S., Creating, Balance, Rhythm, Pattern in People with Dementia Living in a Nursing Home (book chapter) in Giving Voice to What We Know-Jones, D. and Picard(Ed)) 2004.

Ruka, S., Brown, J. & Procope, B. A Blending of Health Strategies in a Community Based Nursing Center. CNS: The Journal for Advanced Nursing Practice 1997. Vol. 11 (4); 179-187.

Ruka, S. Evaluation and review of Franklin's BOOKMAN-NANDA Nursing Diagnoses: Definitions and Classifications plus Nursing 97 Drug Handbook Computers In Nursing 1998. Vol 16 (1): 9-10.

Teaching Experience:

2002-2009 *Adjunct Faculty Granite State College*

2000-present *Preceptor for students' practicum, capstone projects in healthcare fields*

2004- 2009 *Adjunct Faculty University of NH (master's program in nursing)*

2003 *NH Workforce Grant Promoting Best Practice in Long Term Care*

Presentations:

Multiple presentations at national and local conferences on a variety of topics including elderly care and services, transitions of care, community needs and issues, leadership and a variety of health care topics to a wide range of populations.

Susan Ruka RN, Ph.D.



Susan Ruka is a motivated and enthusiastic leader in healthcare in the Mount Washington Valley and Western Maine. She has over 30 years of healthcare experience in a variety of setting including community health, long term care, and hospitals. Currently, she is the Director of Memorial Elder Health Services. She is the Administrator of the MWV Adult Day Center and was instrumental in its creation and implementation. In her role she works closely with community agencies facilitating communication and an appreciation of value each member brings in meeting the needs of the community.

She has a expertise in aging and in particular caring for people with dementia. She obtained her Ph.D in geriatrics from Boston College, focusing on promoting quality of life for people with dementia and their families. She is serving on the steering committee of the MWV Age Friendly Community Initiative and is committed to changing the face of aging in the region and at state level. She is also the representative for Carroll County on the NH State Commission on Aging.

Susan has often been in leadership roles and is viewed as fair, supportive, a good communicator and a mentor. She builds on the strengths of the people she leads and helps them grow professionally and personally. She is viewed as a strong advocate for the seniors in the community.

She has a broad definition of health and wellness recognizing the importance of the social determinants of health. Currently, Susan is a leader in several community initiatives including Healthy Aging, Advanced Care Planning (normalizing the conversation) and in bringing an adult day center to the region. The center is designed as a healing environment meeting the needs of individuals with memory impairment and support, education and respite to the caregivers. The Center is already bringing a much needed service to the community.

She has been involved with grant writing and reviews including participating in an NIH grant during her doctoral program. She has a strong interest in health policy and its impact of care delivery and services provided. Susan is passionate about recognizing the value of our older citizens and acknowledging their wisdom and contributions.

Anna Allocco

Manager, Community Rehabilitation Service Program *Tri-County Mental Health Services*
2017 - 7/2019

- Initiated program at local site 2 years ago
- Grew program by engaging positively with participants, staff, and community members

Coordinator, Wellness and Recovery Program 2014 - 2017

- Facilitated group and individual wellness and recovery programming

Yoga Teacher and Trainer *Portland Power Yoga* 2010- 2014

- Designed, supervised and facilitated local classes and immersion programs
- Co-facilitated international online immersion programs
- Developed volunteer retention program and grew volunteer base by 50%

Hospice Service Coordinator *Beacon Hospice/Amedisys* 2010- 2014

- Communicated and collaborated with diverse stakeholders (patients, doctors, case managers, family members)
- Managed and moved all information required for hospice admission
- Adapted to regular changes in leadership and organizational structure

President, First Parish Unitarian Universalist Church 2011 - 2013

- Oversaw budget of more than \$275,000
- Led and coordinated the implementation of policy-based governance across 15 different church programs

Co-Director *Cragged Mountain Farm* summers 2008 - 2012

- Organized and managed daily activity schedule for campers and staff
- Designed, facilitated and implemented personnel training

Sociology Instructor *Southern Maine Community College* 2006 - 2010

- Used experiential educational techniques in a traditional education environment
- Designed new course in Sociological Theory

Program Manager *People's Regional Opportunity Program* 2004 - 2007

- Created 25% increase in site budget by writing grants for extracurricular activities
- Initiated, designed and facilitated multi-site programming
- Built collaborative networks between family members, community groups and agency

Relevant Education and Training

Master of Arts in Social Policy and Management, ABD, Heller School at Brandeis University

Mental Health Rehabilitation Certification

Certified Alternatives to Violence Communication Facilitator

Certified Yoga Life Coach

Devon M. Ames

- Objective:** To further my experience in the field of human services in order to aid adults, children and families in their times of need, and to provide each with the assistance necessary for a productive and positive lifestyle.
- Education:** Salve Regina University, Bachelor of Arts Degree in Administration of Justice with a concentration in Juvenile Justice.
Cumulative GPA: ~3.3 Administration of Justice GPA: ~3.75
- May 2003: Honorary Member of Alpha Phi Sigma, the National Criminal Justice Honor Society.
- Work History:**
- July 2019-Present:** Memorial Hospital; Mont Washington Valley Adult Day Center (No. Conway, New Hampshire) Administrative Assistant:
Responsible for office functions and assisting Director and staff in managing center activities and processes. Be a positive and welcoming illustrating mission and philosophy of Adult Day Center as first point of contact. Responsible for billing and processing guest payments to the facility and assisting patients in regards to payment/insurance questions. (Checks, cash, online payments and insurance). Utilizing CADCare, EPIC and Secure Bill Pay software. Aiding other departments with various projects as requested by supervisor.
- September 2017-July 2019:** Memorial Hospital (No. Conway, New Hampshire) Cashier:
Responsible for receiving and processing patient payments to the facility and assisting patients in regards to payment/insurance questions. (Checks, cash, online payments and insurance). Utilizing Sequel Med, Thrive and Secure Bill Pay software. Completing daily deposit sheet and processing daily revenue intake for the majority of the departments within the hospital. Aiding other departments with various projects as requested by supervisor.
- June 2017-September 2017:** Memorial Hospital (No. Conway, New Hampshire) Office Assistant (Temporary position):
Supported the Primary Care Department in quality service delivery to patients. Answering phones, scheduling/rescheduling patient appointments, providing patient questions and information for continuation of care to and from medical/nursing staff.
- November 2016-June 2017:** Maine Behavioral Healthcare (Springvale, Maine) Child ACT Program: Case Manager:
Supported the achievement of positive outcomes for all assigned clients and ensured that direct-service practices were consistent with the organization's vision, mission and values. Coordinated comprehensive intake assessment to determine eligibility for case management services when directed by supervisor. Prepared timely assessments of client functioning in accordance with agency assessment tools and standards as well as developed individual services plans for assigned clients. Completed daily progress notes and group notes and other documentation as needed. Coordinated service requirements and referral of clients to appropriate community resources as needed.
- April 2016-September 2016:** Becket Family Of Services (Madison, New Hampshire) Behavior-Training Specialist:
Assisted in development of individual behavior plans, daily behavior data and service agreement trackers. Directed initial and reoccurring staff trainings on person centered strategies, behavior plans, services agreements, risk/crisis plans and individual assessments. Lead weekly staff meetings with Residential Counselors and also oversaw

the weekly leadership meetings with Program Managers and Teams Leaders. Maintained the company checkbook/receipts as well as aiding residence with money management. Conducted groups with residents focused on peer relations/coping skills/self-image.

September 2015-April 2016: Becket Family Of Services

(Madison, New Hampshire) Program Manager/CPS Coordinator:

Ensuring the safety of the staff, individuals served and the surrounding environment. Supervising Team Leaders and Residential Counselors working with residents to aid the individuals in the engagement and upkeep of their home, utilizing public transportation and other community services. Recording progress notes, behavioral data and log notes for each individual. Ensuring state mandated regulations were followed and the residences were certified as needed. Development of Community Participation Services for all individuals served; initializing daily community inclusion and forming relationships with local businesses for employment development.

March 2015-September 2015: Becket Family Of Services

(Madison, New Hampshire) Program Manager:

Ensuring the safety of the staff, individuals served and the surrounding environment. Supervising Team Leaders and Residential Counselors working with residents to aid the individuals in the engagement and upkeep of their home, utilizing public transportation and other community services. Recording progress notes, behavioral data and log notes for each individual. Ensuring state mandated regulations were followed and the residences were certified as needed.

June 2014-March 2015: Lakeview NeuroRehabilitaiton Center

(Effingham, New Hampshire) Assistant Director of Adult Services:

Responsible for daily shift operations, fire drills, staff assignments and member of rapid response team to behavioral situations. Responsible for the welfare and wellbeing of multiple residential cohorts and their living environments. Supervision of Senior Rehabilitation Specialists and Rehabilitation Specialists for those assigned cohorts in all areas in order to meet clinical programming needs, program participant basic care requirements, and customer satisfaction in accordance with all company and regulatory standards. The primary advocate of the residential environment of care and responsible overall for program needs. Implement and train staff to implement programs which increase adaptive behaviors and decrease barriers to the least restrictive placement. Utilize and advocate for the utilization of empirically validated approaches to treatment.

January 2012-September 2015: Lakeview NeuroRehabilitaiton Center

(Effingham, New Hampshire) Program Manager/Behavior Specialist: Responsible for the

welfare and wellbeing of an assigned residential cohort and their living environment. Shares supervision of Senior Rehabilitation Specialists with Administrative Officer in all activities in order to meet clinical programming needs, program participant basic care requirements, and customer satisfaction in accordance with all company and regulatory standards. The primary advocate of the residential environment of care and responsible overall for program needs. Implement and train staff to implement programs which increase adaptive behaviors and decrease barriers to the least restrictive placement. Utilize and advocate for the utilization of empirically validated approaches to treatment.

December 2011-January 2012: Lakeview NeuroRehabilitaiton Center

(Effingham, New Hampshire) Senior Rehabilitation Specialist: Responsible for supervising Rehabilitation Specialists for unit(s) /cabin assigned in order to meet clinical programming needs, program participant basic care requirements, and customer satisfaction in accordance with all company and regulatory standards. Had primary ownership of quality services in my assigned cabin.

August 2011-December 2011: Lakeview NeuroRehabilitaiton Center

(Effingham, New Hampshire) Rehabilitation Specialist: To provide assistance and treatment to program participants in the youth program and help insure active participation in the program. To participate as a member of the interdisciplinary team and

provide education, assistance, supervision, safety, and behavior management for the youth program participant population.

November 2010 – August 2011: Easter Seals NH
(Gilford, New Hampshire) Direct Support Associate: Assist and support adults with disabilities in pursuing their personal goals, dreams, and interests by helping them acquire new skills and abilities to become an integral member of their community.

April 2010 – November 2010: Easter Seals NH
(Manchester, New Hampshire) Teacher's Assistant: Assist and support the teacher in managing the behaviors of the students in a classroom setting to help promote a positive educational environment.

October 2009 – February 2010: Lane Bryant Outlet
(Nashville, Tennessee) Customer Services Specialist: Assisting customers in coordinating and purchasing clothing.

December 2006 – November 2009: Youth Services Bureau
(Laconia, New Hampshire) Case Manager, Upswing Program: Case Manager of a secondary prevention program designed to assist youth and their families in resolving problems which have gone beyond the families' capabilities of managing alone.

September 2006 – Present: Child and Family Services
(Laconia, New Hampshire) Parent Aide: Providing a wide array of support services to families. Parent Aides offer emotional support and practical solutions in managing family life, and assistance with parenting and household management. Parent Aides develop a treatment plan used for the families to work towards reunification with their children.

April 2006 - December 2006: Youth Services Bureau
(Laconia, New Hampshire) Program Coordinator, Out of School Suspension Program: Coordination and instruction to students of multiple schools, serving time as disciplinary policies dictate. Student academic work and behavior monitored, as well as community service hours.

December 2004 – April 2006: Key Program Inc.
(Attleboro, Massachusetts). Caseworker: Unlocking the potential of youth and families. Working in collaboration with the Department of Social Services to aid in family stabilization and child welfare; providing the family mediation, crisis intervention, and community resource advocacy.

June 2004 – December 2004: Spaulding Youth Center
(Tilton, New Hampshire). Residential Counselor: Counselor for adolescent boys who suffer from multiple behavioral and emotional handicaps within a residential facility. Direct instruction of practical daily life skills provided, to include intense therapeutic counseling of interpersonal and intrapersonal relations.

Other:

September 2008 – October 2009: Member of the Child Study Team through Laconia Middle School

June 2007- October 2009: Member of the Gilford Drug and Alcohol Task Force

December 2006 – October 2009: Member of the Belknap County CoRe Coalition

December 2006 – October 2009: Member of the Juvenile Justice Advisory Council, Belknap County

April 2005 – October 2009: Member of the Upstream Parenting Committee, Belknap County

September 2003 – January 2004: Internship with the Newport, Rhode Island, Police Department's Juvenile Unit. Attended Family Court, and participated in all relevant functions.

December 2003: Author for Certiorari, the published, National Criminal Justice Journal.

September 2002 – September 2003: Participant in the Positive Peer Role Model Program facilitated by Salve Regina University: Mentoring a troubled youth.

September 2001: Tutorial services at the Rhode Island Training School.

September 1996: Member of Teen Court jury, Laconia, NH

Courses/Trainings:

A trained facilitator of *The Challenge Course*, a drug and alcohol education program

Several specialized trainings in relation to child welfare, development, fire safety, HIPPA, OSHA and Human Rights.

Previously certified Brain Injury Specialist

Previously trained in PAC, TCI, Mandt and CPI restraint techniques (was a certified Mandt Trainor)

Previously certified in CPR and First Aid and the Medication Administration Program

References:

Available upon request

JULIE MONTEIRO

EXPERIENCE

OCTOBER 2015 – SEPTEMBER 2019

OFFICE NURSE, MEMORIAL HOSPITAL

- Triaging phone calls from OB and GYN. Patients
- Rooming patients, taking vital signs, documenting in computer
- Calling insurance companies for prior authorizations
- Checking fetal heart tones on OB patients and assessing when provider unavailable

AUGUST 2010 – OCTOBER 2015

CHARGE NURSE, MINERAL SPRINGS

- Responsible for up to 30 patients at a time
- Medication administration and treatments per doctor's orders
- Assessment on admission: health history, skin check

JULY 2005 – AUGUST 2010

VISITING NURSE, VISITING NURSE AND HOSPICE CARE OF FAIRHAVEN

- Combination of med. Surg. and hospice patients average five patients per day
- Teaching families with end of life care and medication administration
- Wound care assessment, call to physician as needed

EDUCATION

JUNE 1999

LPN, DIMAN SCHOOL - PRACTICAL NURSE

SKILLS

- Always maintain a positive attitude
- Caring and compassionate
- Able to work independently and work well with others

Julie Van Dyne R.N.

History

The Memorial Hospital

North Conway, New Hampshire

Registered Nurse-Heart Health & Wellness

04/17- 2/19

- Assist patients who've had a recent cardiac event to make lifestyle changes to reduce complications.
- Assess patient's activity level, provide a medically supervised exercise program.
- Monitor patient's heart using telemetry, reporting to physician changes in heart health.
- Provide emotional support to patient.

SAU #9

Conway, New Hampshire

FACS & Health Teacher

08/18-Present

- Create lesson plans and teach middle school students in an inclusive classroom.
- Collaborate with community organizations to arrange guest speakers in relation to healthy relationships and growth and development.
- Collaborate with other staff to meet individual student needs.
- 5-2-1-0 Site Champion.
- Provide nursing services district wide for students with health needs in extracurricular activities.

Para-educator

09/17- 8/18

- Provide academic assistance to a variety of students with varying abilities as a 1:1 aide.
- Modify instruction for students to meet their individual academic needs.
- Work closely with students who have Autism Spectrum Disorder.
- Provide nursing services district wide to diabetic students involved in extracurricular activities.

Health Science Technology Teacher

06/16- 12/16

- Create appropriate curriculum and rubrics for competency-based education according to NH state law.
- Foster a positive learning environment for students in class.
- Provide instruction to high school students in health science area.
- Use technology to enhance learning experience.
- Work with other staff members to provide consistency throughout the Career Tech Programs.

School Nurse

03/14 - 06/16

- Administer medications and treatments as prescribed by practitioners.
- Assess and provide nurturing care for elementary, middle school, and high school aged children in a public-school setting.
- Maintain accurate documentation using MMS software for care given to students.
- Collaborate with interdisciplinary team regarding health concerns of students and how it may impact learning.
- Complete health screenings for students to include BMI, vision and hearing.

- Partner with parents and health providers to ensure the health needs of children are being met appropriately.
- Lead school wide health and wellness committee.
- Implement 5-2-1-0 within the school and school district.

Mountain View Community

Ossipee, New Hampshire

Charge Nurse

08/13 – 03/14

- Assess residents for changes in daily functioning; provide care according to care plan.
- Administer medications and treatments as prescribed by practitioners.
- Provide care to an aging population using appropriate techniques with dementia clientele.
- Maintain accurate documentation of care provided to residents.
- Supervise LNA's and MNA's on the floor. Assist with transfers and ambulation.

Varsity Beverage

Conway, New Hampshire

Administrator to the President

10/09 – 03/14

- All aspects of scheduling for the President including daily appointments and arranging for travel.
- Working with accounts payable, payroll, and monthly statements, P&L, and balance sheet.
- Plan all aspects of employee appreciation gatherings; local and travel.
- Attend national HR conference, and worked with creating new policies.

The Memorial Hospital

North Conway, New Hampshire

Licensed Nursing Assistant

10/07 - 03/09

- Provide post partum care to new Moms and Baby's including but not limited to VS, IV removal, bathing, assisting with breast feeding.
- Restocking birthing rooms and nursery, setting up birthing table using sterile technique, cleaning Fetal Heart Monitor and ICN units.
- Ordering labs using hospital computer software.
- Creating patient charts, making referrals, transfers, and using general office equipment.
- Providing appropriate care to medical surgical patients.

Education

Southern Maine Community College

South Portland, Maine

A.S. Nursing

2013

- Certificate in Infant Adoption Training Initiative
- Certificate in Tobacco Intervention: Basic Skills Training
- Recipient of the Boyne Foundation Scholarship
- Recipient of the Kathleen Sheehan Scholarship

Granite State College

Conway, New Hampshire

B.S. Behavioral Science

2001

Southern Maine Community College

South Portland, Maine

A.S. Nutrition

1993

- Additional courses in Early Childhood Education

TAMMY DREW

EXPERIENCE

MARCH 2019 – JULY 2019

COMMUNITY RELATIONS INTERN – MEMORIAL HOSPITAL

JANUARY 2018 – MARCH 2019

PARAPROFESSIONAL - KINGSWOOD REGIONAL HIGH SCHOOL

- Provided academic support and guidance to students, in an inclusive environment.
- Implemented behavioral support through modeling and encouragement with a positive approach.

MARCH 2017 – DECEMBER 2017

RECEPTIONIST/SCHEDULING COORDINATOR - MEADOW POND ANIMAL HOSPITAL

- Managed office duties with efficiency and accuracy: data entry, scheduling, billing, correspondence.
- Greeted and assisted clientele in a warm friendly manner

NOVEMBER 2010 – MARCH 2017

LNA/HHA - VISITING NURSES, HOME CARE AND HOSPICE

- Developed and fostered trusting relationships through active listening, empathy and kindness.
- Performed direct patient care aimed at increasing comfort, psychological, and social well-being.
- Maintained professionalism and client confidentiality at all times.

EDUCATION

BS PSYCHOLOGY - GRANITE STATE COLLEGE

GPA: 3.98 DEAN'S LIST, MEMBER - ALPHA SIGMA LAMBDA

Related coursework: Psychology, Sociology, Social Psychology, Human Development, Teaching & Learning in Adulthood, Cognition & Learning, Interpersonal Communication & Group Dynamics, Personality Theory, Human Services and the Helping Professions

AS BUSINESS - GRANITE STATE COLLEGE

Related coursework: Critical Thinking, Organizational Behavior, Management, Statistics, Economics

SKILLS

- Strong interpersonal skills
- Effective communicator and active listener
- Attention to detail and highly organized
- Computer literacy: Microsoft Office Suite
- Ability to prioritize and manage time efficiently
- Team player, yet capable of working independently
- Open-minded & willingness to learn and adapt

**Memorial Elder Health Services
dba Mount Washington Valley Adult Day Center**

Key Personnel

Name	Job Title	Salary Annual with benefits	% Paid from this Contract	Amount Paid from this Contract
Sue Ruka	Director	\$144,820	1%	\$1448
Devon Ames	Administrative Assistant	\$46,020	5%	\$2301
Tammy Drew	Social Services Coordinator	\$45,083	5%	\$2254
Julie Van Dyne	RN Coordinator	\$73,450	5%	\$3672
Julie Monteiro	LPN	\$60,735	3%	\$1822
Anna Allocco	Activities Coordinator	\$47,059	4%	\$1882

This does not include salaries of the Activities/Personal Care Assistants nor any other operating costs.

Subject: Adult Day Program Services (RFA-2021-DLTSS-02-ADULT-05)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

<p>1.1 State Agency Name New Hampshire Department of Health and Human Services</p>		<p>1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857</p>	
<p>1.3 Contractor Name Nashua Adult Day Health, LLC</p>		<p>1.4 Contractor Address 32 Daniel Webster Highway U10 Merrimack, NH 03054</p>	
<p>1.5 Contractor Phone Number (603) 568-9237</p>	<p>1.6 Account Number 05-95-48-481010-7872-540-500382; 05-95-48-481010-9255-566500918; 05-95-48-481010-1917-102-500731</p>	<p>1.7 Completion Date June 30, 2022</p>	<p>1.8 Price Limitation \$575,760</p>
<p>1.9 Contracting Officer for State Agency Nathan D. White, Director</p>		<p>1.10 State Agency Telephone Number (603) 271-9631</p>	
<p>1.11 Contractor Signature <i>Kyle Worth</i> Date: 6-8-2020</p>		<p>1.12 Name and Title of Contractor Signatory Kyle Worth Member + Executive Director</p>	
<p>1.13 State Agency Signature <i>Christe Tapan</i> Date: 6-8-2020</p>		<p>1.14 Name and Title of State Agency Signatory Christe Tapan, Asst. Dir. Commission</p>	
<p>1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____</p>			
<p>1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <i>Catherine Pinos</i> On: 06/10/20</p>			
<p>1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____</p>			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 94-A or other existing law. Disclosure of data requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



EXHIBIT A

REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:

3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2020 ("Effective Date").

1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:

3.3. The parties may extend the Agreement for up to two (2) of years additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:

12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.



EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services under this Agreement for individuals who are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, or who are not eligible for other New Hampshire Medicaid services, or who are not receiving the same or similar services through the Veterans' Administration.
- 1.2. For the purposes of this agreement, all references to days shall mean calendar days.
- 1.3. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from (8:00 am to 5:00 pm), excluding state and federal holidays.
- 1.4. The Contractor shall provide Adult Day Program Services in Merrimack, New Hampshire.
- 1.5. The Contractor shall be licensed as an adult day program in accordance with RSA 151:2 I (f) and as governed by New Hampshire Code of Administrative Rules Part He-P 818, Adult Day Programs.
- 1.6. The Contractor shall provide services in accordance with New Hampshire Administrative Rule He-E 501, The Social Services Block Grant (Title XX) and New Hampshire Administrative Rule He-E 502, The Older American Act Services: Title IIIB Supportive Services, governing Adult Day Program Services.
- 1.7. The Contractor shall provide services and administration of the program in accordance with the applicable federal and state laws, NH Administrative Rules He-E 501 and He-E 502, policies and regulations adopted by the Department currently in effect, and as they may be adopted or amended during the contract period.
- 1.8. The Contractor shall provide services in a supervised setting for fewer than twelve (12) hours a day to individuals 18 years of age and older, based on an individual's needs, which may include, but are not limited to:
 - 1.8.1. Assistance with activities of daily living.
 - 1.8.2. Nursing care and rehabilitation services.
 - 1.8.3. Recreational, social, cognitive and physical stimulation activities.
 - 1.8.4. Monitoring of the individual's condition
 - 1.8.5. Counseling, as appropriate, on nutrition, hygiene or other related matters.
 - 1.8.6. Referrals to other services and resources as necessary.
 - 1.8.7. Assistance and support to caregiving families



EXHIBIT B

- 1.9. The State reserves the right to require services to be concurrently provided in facilities and in an alternative setting. The Contractor may:
- 1.9.1. Provide adult day program services in an alternative setting approved by the Department, during a declaration of emergency or disaster issued by the Governor. The Contractor shall:
 - 1.9.1.1. Comply with all laws, rules, and guidance in accordance with the State of New Hampshire and the federal Older American Act Services.
 - 1.9.1.2. Comply with guidelines from the Centers for Disease Control and Prevention (CDC) and the Department, as directed by the Department during emergencies.
 - 1.9.1.3. Obtain Department consent for modifications due to suspended in-facility services.
 - 1.9.1.4. Provide services in accordance with guidance from the Department that include, but are not limited to:
 - 1.9.1.4.1. Continuation of certain services, telephonically or via video chat, to individuals currently receiving services.
 - 1.9.1.4.2. Completion of the Daily Care Connection form issued by the Department for each remote contact with a participant.
- 1.10. The Contractor shall provide services to individuals referred by:
- 1.10.1. The Adult Protection Program.
 - 1.10.2. Direct application to the Contractor for services.
 - 1.10.3. NH ServiceLink Resource Centers and other community agencies.
 - 1.10.4. Self-referral.
- 1.11. The Contractor shall conduct an expedited intake for individuals referred by the Adult Protection Program in accordance with the NH Administrative Rules He-E 501 and 502, which include, but are not limited to:
- 1.11.1. Waiving application, determination and redetermination requirements.
 - 1.11.2. Utilizing information provided by Adult Protective Program staff to provide appropriate services.
 - 1.11.3. Reporting suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law.
 - 1.11.4. Making a good-faith effort to ensure the provision of services.



EXHIBIT B

- 1.11.5. Informing the referring Adult Protective Program staff of any changes to the referred individual's situation, or other concerns.
- 1.12. The Contractor shall determine eligibility for services, and complete an intake and an application for services for individuals who apply directly to the Contractor, in accordance with NH Administrative Rules He-E 501 and 502.
- 1.13. The Contractor shall provide written notice of eligibility to each individual who applies to the Contractor for services no later than forty-five (45) days from the date eligibility is determined, which includes, but is not limited to:
 - 1.13.1. Services to be provided including frequency; and
 - 1.13.2. Beginning and end dates for the period of eligibility; or
 - 1.13.3. If the individual is determined to not be eligible for service(s), the notice shall include, but is not limited to:
 - 1.13.3.1. The reason(s) for the denial;
 - 1.13.3.2. A statement regarding the right of the individual or his or her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 1.13.3.3. Contact information for requesting an administrative hearing, as described in New Hampshire Administrative Rule He-E 501.11.
- 1.14. The Contractors shall use the Department's Form 3000 application when determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX).
- 1.15. The Contractor shall submit its policies and procedures for client eligibility determination and redetermination to the Department for review and approval, within 30 days of the start of each State Fiscal Year. The Contractor shall:
 - 1.15.1. Terminate services when:
 - 1.15.1.1. The individual or his or her authorized representative requests that the services be terminated.
 - 1.15.1.2. The individual no longer meets the eligibility requirements for services.
 - 1.15.1.3. Funding by the State for the service(s) is no longer available.
 - 1.15.1.4. The individual did not reapply for services as required by program rules.
 - 1.15.1.5. The individual is admitted to a nursing home or residential care facility.
 - 1.15.2. Request a service authorization from the Department for each individual determined eligible for services.

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EXHIBIT B

- 1.15.3. Submit a completed Form 3502 "Contract Service Authorization-New Authorization," in accordance with NH Administrative rule He-E 501.15, for each client determined eligible for services. The completed Form 3502 may include more than one services and shall be submitted to:

Bureau of Data Management
129 Pleasant Street
Concord, NH 03301

- 1.15.4. Assess each individual's needs and develop a written service plan; maintain written progress notes; and monitor and adjust the service plans to meet the individual's needs, in accordance with NH Administrative Rules He-E 501 and He-E 502.

- 1.15.5. Incorporate the following Guiding Principles for Person-Centered Planning Philosophy into agency functions, policies, and staff-client interactions when providing services::

1.15.5.1. Individuals and families are invited, welcomed, and supported as full participants in service planning and decision-making.

1.15.5.2. Individual's wishes, values, and beliefs are considered and respected.

1.15.5.3. Individual is listened to; needs and concerns are addressed.

1.15.5.4. Individual receives the information he/she needs to make informed decisions.

1.15.5.5. Planning is responsive to the individual. His or her preferences drive the planning process, though the decision making process may need to be accelerated to respond to emergencies.

1.15.5.6. Services are designed, scheduled, and delivered to best meet the needs and preferences of the individual.

1.15.5.7. The system is committed to excellence and quality improvement.

1.15.5.8. Individual rights are affirmed and protected.

1.15.5.9. Individuals are protected from exploitation, abuse, and neglect.

1.15.5.10. The service system is accessible, responsive, and accountable to the individual.



EXHIBIT B

- 1.15.6. Maintain a level of staffing necessary to perform and provide the functions, requirements, roles, and duties in a timely fashion for the number of clients identified in this Agreement.
- 1.15.7. Develop and submit its written Staffing Contingency Plan to the Department within 30 days of contract approval date, which includes, but is not limited to:
 - 1.15.7.1. The process for replacing personnel in the event of loss of personnel during contract period.
 - 1.15.7.2. A description of how additional staff resources will be allocated to support contract services in the event of inability to meet any performance standard.
 - 1.15.7.3. A description of time frames necessary for obtaining staff replacements.
 - 1.15.7.4. An explanation of capabilities to provide, in a timely manner, staff replacements and/or additions with comparable experience.
 - 1.15.7.5. A description of the method for training new staff members performing contract services.
- 1.15.8. Verify each staff member and each volunteer completes appropriate orientation and training; has the required education; and has the appropriate experience to fulfill the responsibilities of their respective position. The Contractor shall maintain all relevant documents, including, but not limited to:
 - 1.15.8.1. Current personnel records.
 - 1.15.8.2. Training records.
 - 1.15.8.3. Licenses.
 - 1.15.8.4. Certifications.
- 1.16. The Contractor shall maintain a system for tracking, resolving, and reporting client complaints relative to services, processes, procedures, and staff. The Contractor shall provide a written record of all complaints to the Department, upon request, ensuring the information includes, but is not limited to:
 - 1.16.1. Individual's name.
 - 1.16.2. Type of service.
 - 1.16.3. Date of complaint.
 - 1.16.4. A description of the complaint.
 - 1.16.5. Resolution to the complaint.
 - 1.16.6. Notice of right to appeal.



EXHIBIT B

- 1.17. The Contractor shall complete a criminal background check for each staff member or volunteer who interacts with or provides hands-on care to individuals in compliance with the requirements of NH Administrative Rule He-P 818, Adult Day Programs.
- 1.18. The Contractor shall not commence delivery of services prior to the receipt by the Department of documentation required in Subsection 1.17, above.
- 1.19. The Contractor shall develop a survey, to be approved by the Department, and conduct a survey of individuals receiving services, via telephone, mail, e-mail, or face-to-face.
- 1.20. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services.
- 1.21. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services, in accordance with NH Administrative Rule He-E 501.10, in the event that:
 - 1.21.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 1.21.2. The Contractor terminates a service or services for any reason; or
 - 1.21.3. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

2. Exhibits Incorporated

- 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.
- 2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.
- 2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

3. Reporting Requirements

- 3.1. The Contractor shall submit quarterly reports on the provision of Adult Day Care services to the Department, on a pre-defined electronic form supplied by the Department. The Contractor shall:
 - 3.1.1. Submit reports to the Department no later than the 15th day of the month following the end of each quarter.
 - 3.1.2. Ensure each report includes, but is not limited to:



EXHIBIT B

- 3.1.2.1. Total expenses.
- 3.1.2.2. Revenue.
- 3.1.2.3. Actual Units served, sorted by funding source.
- 3.1.2.4. Number of unduplicated clients served, sorted by funding source.
- 3.1.2.5. Number of Title III and Title XX clients served with funds not provided by the Department.
- 3.1.2.6. Unmet need/waiting list.
- 3.1.2.7. Length of time clients are on a waiting list.
- 3.1.2.8. A narrative description of activities during the previous quarter, which shall include, but is not limited to:
 - 3.1.2.8.1. Quality improvement activities initiated in response to each complaint.
 - 3.1.2.8.2. An explanation for each instance in which an individual did not receive planned services.
- 3.2. The Contractor shall report suspected abuse, neglect, self-neglect, and/or exploitation of incapacitated adults as required by RSA 161-F:46 of the Adult Protection law.
- 3.3. The Contractor shall provide written notice of the inability to meet any contract service obligations, including but not limited to reducing hours of operations; changing services area; or closing and/or opening a site at least ninety (90) days prior to the event. The Contractor shall:
 - 3.3.1. Mail written notices to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 105 Pleasant Street
 - Concord, NH 03301
 - 3.3.2. Ensure written notifications include:
 - 3.3.2.1. Reason(s) for the inability to deliver services;
 - 3.3.2.2. How service recipients and the community will be impacted;
 - 3.3.2.3. How service recipients and the community will be notified; and
 - 3.3.2.4. A plan to transition clients into other services or refer the clients to other agencies.

4. Performance Measures



EXHIBIT B

4.1. The Department will monitor Contractor performance by evaluating the following performance measures:

4.1.1. Eligibility

- 4.1.1.1. The number of applications and service requests and
- 4.1.1.2. The number and percent of applicants found eligible for each service.
- 4.1.1.3. The number and percent of applicants found ineligible for each service.
- 4.1.1.4. The number and percent of individual plans of care in which the plan contains evidence of person-centered planning.
- 4.1.1.5. The number and percent of individuals who have experienced a safety-related incident or accident, which occurs during times of face-to-face contact.
- 4.1.1.6. The number and percent of individuals for whom a report to Adult Protective Services was made.

4.1.2. Service Delivery

- 4.1.2.1. The number of open cases at the end of each reporting period, and
- 4.1.2.2. The number and percentage of days that individuals did not receive a planned service(s) due to the service(s) not being available due to inadequate staffing or other related provider issue or due to lack of transportation, etc.
- 4.1.2.3. The number and percent of individuals completing the survey

4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.

4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.

4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

5. Additional Terms

5.1. Impacts Resulting from Court Orders or Legislative Changes

5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities



EXHIBIT B

and expenditure requirements under this Agreement so as to achieve compliance therewith.

5.2. Culturally and Linguistically Appropriate Services (CLAS)

5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

5.3. Credits and Copyright Ownership

5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

5.3.3.1. Brochures.

5.3.3.2. Resource directories.

5.3.3.3. Protocols or guidelines.

5.3.3.4. Posters.

5.3.3.5. Reports.

5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5.4. Operation of Facilities: Compliance with Laws and Regulations

5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said



EXHIBIT B

license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

5.5. Eligibility Determinations

- 5.5.1. If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
- 5.5.2. Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
- 5.5.3. In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
- 5.5.4. The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Records

- 6.1. The Contractor shall keep records that include, but are not limited to:
 - 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 6.1.2. All records shall be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions



EXHIBIT B

and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

- 6.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 6.1.4. Medical records on each patient/recipient of services.
- 6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 62.40% Federal Funds by the:
 - 1.1.1. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Administration on Aging Services Grants (CFDA:#93.044), FAIN #2001NHOASS-01, as awarded on September 1, 2019. 14.55% Federal funds
 - 1.1.2. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, Social Services Block Grant (CFDA:#93.667), FAIN #2001NHSOSR, as awarded on September 1, 2019. 34.60% Federal Funds
 - 1.1.3. United States Department of Health and Human Services, Elderly and Adult Services, Grants to Locals, CARES Act Title III Grants (CFDA:#93.044), FAIN #2001NHSSC3-00, as awarded on April 20, 2020. 13.25% Federal funds
 - 1.2. 37.60% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a (Subrecipient or Contractor), in accordance with 2 CFR 200.330.
 - 2.2. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment in accordance with the rates and units specified in Exhibit C-1, Rate Sheet.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.beasinvoices@dhhs.nh.gov or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if



EXHIBIT C

sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.



EXHIBIT C

- 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 12.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
- 12.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

Exhibit C-1 Rate Sheet

Nashua Adult Day Health, LLC

7/1/2020 through 06/30/2021 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	2,766	\$60.00	\$ 165,960.00
Title III B AGDC	Per Day/Per Person	1,396	\$60.00	\$ 83,760.00
Title III B AGDC COVID	Per Day/Per Person	1,272	\$60.00	\$ 76,320.00

7/1/2021 through 06/30/2022 Service Units				
Adult In-Home Care	Service Unit Type	Total # of Units of Service anticipated to be delivered.	Rate per Service Unit	Total Amount of Funding
Title XX AGDC	Per Day/Per Person	2,766	\$60.00	\$ 165,960.00
Title III B AGDC	Per Day/Per Person	1,396	\$60.00	\$ 83,760.00

Contractor Initials: KLW
 Date: 6-8-2020



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check if there are workplaces on file that are not identified here.

Vendor Name:

6-8-2020

Date

Kyle Worth

Name: Kyle Worth

Title: Member + Executive Director



CERTIFICATION REGARDING LOBBYING

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (Indicate applicable program covered):
*Temporary Assistance In Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

6-8-2020
Date

Kyle Worth
Name: Kyle Worth
Title: Member + Executive Director



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549; 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
 - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

6-8-2020

Date

Kyle Worth

Name: Kyle Worth

Title: Member + Executive Director



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

KLW

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower Protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

Kyle Worth

Name: Kyle Worth

Title: Member + Executive Director

6-8-2020

Date

Exhibit G

Vendor Initials KW

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

6-8-2020

Date

Kyle Worth

Name: Kyle Worth

Title: Member + Executive Director



Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) **Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.

- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:

- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- o The unauthorized person used the protected health information or to whom the disclosure was made;
- o Whether the protected health information was actually acquired or viewed
- o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

- pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.
- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
 - g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
 - h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
 - i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
 - j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
 - k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
 - l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Contractor Initials KW

Date 6-8-2020



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services
The State

Christie Tappan
Signature of Authorized Representative

Christie Tappan
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6-8-2020
Date

Nashua Adult Day Health, LLC
Name of the Contractor

Kyle Worth
Signature of Authorized Representative

Kyle Worth
Name of Authorized Representative

Member + Executive Director
Title of Authorized Representative

6-8-2020
Date



CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

6-8-2020

Date

Kyle Worth

Name: Kyle Worth

Title: Member + Executive Director



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 121832003

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

DHHS Information Security Requirements



- wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
 10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
 11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doi/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

State of New Hampshire

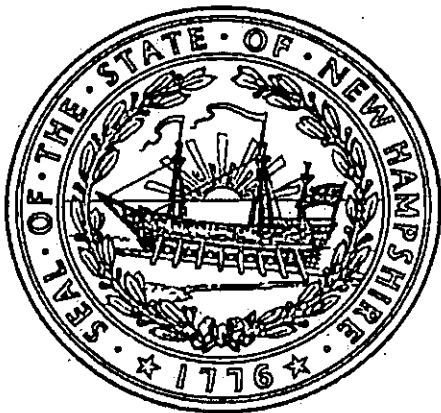
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NASHUA ADULT DAY HEALTH, LLC is a New Hampshire Limited Liability Company registered to transact business in New Hampshire on July 19, 2018. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 799331

Certificate Number: 0004927107



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 8th day of June A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Erin Worth, hereby certify that:

(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Nashua Adult Day Health, LLC.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on Monday, June 8th, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Kyle Worth, Member and Executive Director (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Nashua Adult Day Health, LLC to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 6/8/2020



Signature of Elected Officer

Name: Erin Worth

Title: Chief Financial Officer and Treasurer of the Board of Directors



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/8/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Foy Insurance Group - Manchester 1889 Elm St Manchester NH 03104	CONTACT NAME: Heidi SanSouci
	PHONE (A/C, No, Ext): (603) 641-8111 FAX (A/C, No): (603) 641-0222
	E-MAIL ADDRESS: Heidi.SanSouci@FoyInsurance.com
	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: Cincinnati Indemnity 23280
	INSURER B: Cincinnati Insurance Co 10677
	INSURER C: WESCO Insurance 25011
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES CERTIFICATE NUMBER: 2020-2021 Master REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ETD 0518427	1/21/2020	1/21/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/POP AGG \$ 3,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			ETA 0535634	1/21/2020	1/21/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist/combined air \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$			ETD 0518427	1/21/2020	1/21/2021	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	Kyle Worth Excluded 3A. NH MWC3428691	7/8/2019	7/8/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability			ETD 0518427	01/21/2020	01/21/2021	Limit 1M/3M

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

New Hampshire Department of Health and Human Services
129 Pleasant St
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Heidi SanSouci/MHEIDI

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