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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
 Commissioner

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Kathleen A. Dunn
 Associate Commissioner

June 4, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Bureau of Behavioral Health to enter into **sole source** Agreements with multiple vendors identified in the table below to provide community mental health services, in an amount not to exceed \$5,446,218 in the aggregate, effective July 1, 2015, or the date of Governor and Executive Council approval, whichever is later, through June 30, 2016. 79% General Funds and 21% Federal Funds.

Summary of contracted amounts by vendor:

Vendor	Location	Amount
Northern Human Services	Conway, NH	\$ 289,506
West Central Services DBA West Central Behavioral Health	Lebanon, NH	\$ 326,336
The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health	Laconia, NH	\$ 361,886
Riverbend Community Mental Health, Inc.	Concord, NH	\$ 441,282
Monadnock Family Services	Keene, NH	\$ 357,400
Community Council of Nashua, NH DBA Greater Nashua Mental Health Center at Community Council	Nashua, NH	\$1,009,000
The Mental Health Center of Greater Manchester	Manchester, NH	\$1,215,283
Seacoast Mental Health Center, Inc.	Portsmouth, NH	\$ 734,307
Behavioral Health & Developmental Svs of Strafford County, Inc. DBA Community Partners of Strafford County	Dover, NH	\$ 324,696
The Mental Health Center for Southern New Hampshire DBA CLM Center for Life Management	Derry, NH	\$ 386,522
TOTAL		\$5,446,218

Funds to support this request are anticipated to be available in the following accounts in State Fiscal Years 2016, upon the availability and continued appropriation of funds in the future operating budgets.

Please see attached financial detail.

EXPLANATION

These ten (10) Agreements are **sole source** because community mental health services are not subject to the competitive bidding requirement of NH ADM 601.03. The Bureau of Behavioral Health contracts for services through the community mental health center designated by the Bureau to serve the towns and cities within a designated geographic region as outlined in NH RSA 135-C and State regulation NH He-M 403.

Approval of these ten (10) contracts will allow the Department to continue to provide community mental health services for approximately 50,000 adults, children and families in New Hampshire. The Contractors will provide community mental health services as identified in NH Administrative Rule He-M 426 and additional services such as Emergency Services, Individual and Group Psychotherapy, Targeted Case Management, Medication Services, Functional Support Services, and Evidence Based Practices including Illness Management and Recovery, Evidence Based Supported Employment, Trauma Focused Cognitive Behavioral Therapy, and Community Residential Services. Community mental health services are designed to build resiliency, promote recovery within a person-centered approach, promote successful access to competitive employment, reduce inpatient hospital utilization, improve community tenure, and assist individuals and families in managing the symptoms of mental illness.

Community Mental Health Services will be provided to Medicaid clients, and non-Medicaid clients for related services, such as, Emergency Services to adults, children and families without insurance. The Contractors will seek reimbursement for Medicaid services through an agreement with the Managed Care contractors when a client is enrolled in managed care, and through Medicaid fee for service when a client is enrolled as a fee for service client. The Contracts do not include funding for the Medicaid dollars as they are not paid for through these contracts. The Contracts include funding for the other community mental health services such as Adult and Children Assertive Community Treatment teams, Projects for Assistance in Transition from Homelessness, rental housing subsidies, emergency services and Medicaid Incentive for the Prevention of Chronic Disease.

In addition to providing community mental health services, the Contractors will provide two new services by participating as an agency under the NH Care Path model and by providing military liaisons. Under the NH Care Path model, the contractor will operate as an eligibility and referral partner for individuals who may inquire or may benefit from the community long term supports and services. The Contractors will provide military liaison personnel to serve as the contact person for issues related to serving veterans, service members and their families. The military liaison will serve as a consultant on understanding the military culture and resources available to veterans, service members and their families.

Should Governor and Executive Council determine not to approve this Request, approximately 50,000 adults, children and families in the state will not receive community mental health services, as required by NH RSA 135-C:13. Many of these individuals will experience a relapse of symptoms. They will seek costly services at hospital emergency departments due to the risk of harm to themselves or others and will be at significant risk without treatment or interventions. These individuals will also have increased contact with local law enforcement, county correctional programs and primary care physicians, none of which will have the services or supports available to provide assistance.

In conformance with RSA 135-C:7, performance standards have been included in this contract. Those standards include individual outcome measures and fiscal integrity measures. The effectiveness of services will be measured through the use of the Child and Adolescent Needs and Strengths Assessment and the Adult Needs and Strengths Assessment. The individual level outcomes

tools are designed to measure improvement over time, inform the development of the treatment plan, and engage the individual and family in monitoring the effectiveness of services. In addition, follow-up in the community after discharge from New Hampshire Hospital will be measured.

The fiscal integrity measures include generally accepted performance standards to monitor the financial health of non-profit corporations on a monthly basis. The vendor is required to provide a corrective action plan in the event of deviation from a standard. Failure to maintain fiscal integrity, or to make services available, could result in the termination of the contract and the selection of an alternate provider.

All residential and partial hospital programs are licensed/certified when required by State laws and regulations in order to provide for the life safety of the persons served in these programs. Copies of all applicable licenses/certifications are on file with the Department of Health and Human Services.

Area served: Statewide (See Attached Cities and Town by Geographic Region)

Source of funds: 79% General Funds and 21% Federal Funds.

In the event that the Federal Funds become no longer available, General Funds shall not be requested to support these programs.

Respectfully submitted,



Kathleen A. Dunn, MPH
Associate Commissioner

Approved by



Nicholas A. Toumpas
Commissioner

DEPARTMENT OF HEALTH AND HUMAN SERVICES
 STATE FISCAL YEAR 2016 COMMUNITY MENTAL HEALTH CENTER CONTRACTS (10)
 FINANCIAL DETAIL

05-95-92-920010-5945 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF,
 HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM
 SUPPORT (100% General Funds)

Northern Human Services (Vendor number 177222)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$261,396

West Central Behavioral Health (Vendor number 177654)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$245,183

Genesis Behavioral Health (Vendor number 154480)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$253,329

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$310,098

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$267,539

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$860,143

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$1,037,430

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$530,154

Community Partners of Strafford County (Vendor number 177278)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$243,543

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92205945	\$262,167

Subtotal

\$4,270,982

05-95-92-920010-7851 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, MENTAL HEALTH DATA COLLECTION (100% Federal Funds)

Northern Human Services (Vendor number 177222)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

West Central Behavioral Health (Vendor number 177654)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Genesis Behavioral Health (Vendor number 154480)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

Community Partners of Strafford County (Vendor number 177278)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92207851	\$5,000
	Subtotal		\$50,000

05-95-92-920010-2087 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, MIPCD GRANT (100% Federal Funds)

West Central Behavioral Health (Vendor number 177654)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$56,583

Genesis Behavioral Health (Vendor number 154480)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$83,987

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$35,364

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$28,291

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$83,987

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$111,392

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$56,583

Community Partners of Strafford County (Vendor number 177278)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$56,583

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	92202087	\$70,285
	Subtotal		\$583,055

05-95-42-421010-2958 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD - FAMILY SERVICES (44% General Funds, 54% Federal Funds, 2% Other Funds)

Northern Human Services (Vendor number 177222)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$5,310

West Central Behavioral Health (Vendor number 177654)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Genesis Behavioral Health (Vendor number 154480)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$3,540

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Community Partners of Strafford County (Vendor number 177278)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
550-0398	Contracts for Program Services	42105824	\$1,770

Subtotal \$23,010

05-95-42-423010-7926 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HUMAN SERVICES, HOMELESS & HOUSING, PATH GRANT (100% Federal Funds)

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$36,250

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$37,000

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$40,300

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$40,121

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$25,000

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	42307150	\$29,500

Subtotal \$208,171

05-95-49-490510-2985 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, COMMUNITY BASED CARE SERVICES, BALANCE INCENTIVE PROGRAM BIP (100% Federal Funds)

Northern Human Services (Vendor number 177222)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

West Central Behavioral Health (Vendor number 177654)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Genesis Behavioral Health (Vendor number 154480)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Riverbend Community Mental Health, Inc. (Vendor number 177192)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$52,800

Monadnock Family Services (Vendor number 177510)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Greater Nashua Mental Health Center at Community Council (Vendor number 154112)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

The Mental Health Center of Greater Manchester (Vendor number 177184)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Community Partners of Strafford County (Vendor number 177278)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

CLM Center for Life Management (Vendor number 174116)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49053316	\$17,800

Subtotal \$213,000

05-95-49-491510-2988 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, PREVENTION SERVICES (100% Federal Funds)

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	49156502	\$63,000

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: ELDERLY – ADULT SERVICES, GRANTS TO LOCALS, HEALTH PROMOTION CONTRACTS (100% Federal Funds)

Seacoast Mental Health Center, Inc. (Vendor number 174089)

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2016</u>
102-0731	Contracts for Program Services	48108462	\$35,000

Total \$5,446,218

**New Hampshire Mental Health System
Cities & Towns by Geographic Region**

**Region I
Northern Human
Services**

Albany
Bartlett
Bath
Benton
Berlin
Bethlehem
Brookfield
Carroll
Chatham
Clarksville
Colebrook
Columbia
Conway
Dalton
Dixville
Dummer
Easton
Eaton
Effingham
Errol
Franconia
Freedom
Gorham
Hart's Location
Haverhill
Jackson
Jefferson
Lancaster
Landaff
Lincoln
Lisbon
Littleton
Lyman
Madison
Milan
Monroe
Moultonborough
Northumberland
Ossipee
Piermont
Pittsburg
Randolph
Sandwich
Shelburne
Stark
Stewartstown
Stratford
Sugar Hill
Tamworth
Tuftonboro
Wakefield
Warren
Waterville
Wentworth Location
Whitefield
Wolfeboro
Woodstock

**Region II
West Central Services,
Inc. DBA West Central
Behavioral Health**

Acworth
Canaan
Charlestown
Claremont
Cornish
Croydon
Dorchester
Enfield
Goshen
Grafton
Grantham
Hanover
Langdon
Lebanon
Lempster
Lyme
Newport
Orange
Orford
Plainfield
Springfield
Sunapee
Unity
Washington

**Region III
The Lakes Region
Mental Health Center
DBA Genesis
Behavioral Health**

Alexandria
Alton
Ashland
Barnstead
Belmont
Bridgewater
Bristol
Campton
Center Harbor
Ellsworth
Gilford
Gilmanton
Groton
Hebron
Holderness
Laconia
Meredith
New Hampton
Plymouth
Rumney
Sanbornton
Thornton
Tilton
Wentworth

**Region IV
Riverbend Community
Mental Health, Inc.**

Allenstown
Andover
Boscawen
Bow
Bradford
Canterbury
Chichester
Concord
Danbury
Deering
Dunbarton
Epsom
Franklin
Henniker
Hill
Hillsboro
Hopkinton
Loudon
New London
Newbury
Northfield
Pembroke
Pittsfield
Salisbury
Sutton
Wamer
Weare
Webster
Wilmot
Windsor

**Region V
Monadnock Family
Services**

Alstead
Antrim
Bennington
Chesterfield
Dublin
Fitzwilliam
Francestown
Gilsum
Greenville
Hancock
Harrisville
Hinsdale
Jaffrey
Keene
Lyndeborough
Marlborough
Marlow
Nelson
New Ipswich
Peterborough
Richmond
Rindge
Roxbury
Sharon
Stoddard
Sullivan
Sury
Swanzy
Temple
Troy

Walpole
Westmoreland
Wilton
Winchester

**Region VI
Community Council of
Nashua, NH DBA
Greater Nashua Mental
Health Center at
Community Council**

Amherst
Brookline
Hollis
Hudson
Litchfield
Mason
Merrimack
Milford
Mont Vernon
Nashua

**Region VII
The Mental Health
Center of Greater
Manchester**

Auburn
Bedford
Candia
Goffstown
Hooksett
Londonderry
Manchester
New Boston

**Region VIII
Seacoast Mental
Health Center, Inc.**

Brentwood
Deerfield
East Kingston
Epping
Exeter
Fremont
Greenland
Hampton
Hampton Falls
Kensington
Kingston
New Castle
Newfields
Newington
Newmarket
North Hampton
Northwood
Nottingham
Portsmouth
Raymond
Rye
Seabrook
South Hampton
Stratham

**Region IX
Behavioral Health and
Developmental
Services of Strafford
County, Inc. DBA
Community Partners
of Strafford County**

Barrington
Dover
Durham
Farmington
Lee
Madbury
Middleton
Milton
New Durham
Rochester
Rollinsford
Somersworth
Strafford

**Region X
The Mental Health
Center for Southern
New Hampshire DBA
CLM Center for Life
Management**

Atkinson
Chester
Danville
Derry
Hampstead
Newton
Pelham
Plaistow
Salem
Sandown
Windham

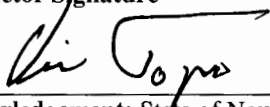
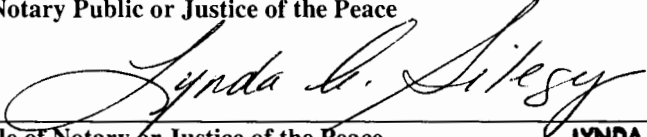

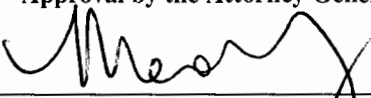
Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center for Southern New Hampshire DBA CLM Center for Life Management		1.4 Contractor Address 10 Tsienneto Road Derry, NH 03038	
1.5 Contractor Phone Number 603-434-1577	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$386,522.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Vic Topo, President/CEO	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Rockingham</u> On <u>4/22/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace LYNDA A. SILEGY Notary Public - New Hampshire My Commission Expires August 5, 2019			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. York - Attorney On: <u>6/8/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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.

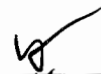
4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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: 4/22/2015

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: 

Date: 4/22/2015

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

**New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work**



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
 - 1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 - 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 - 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).

Contractor Initials: *WA*
Date: *4/22/2015*



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. Days of Cash on Hand:

- a. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.

- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level

**New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work**



clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or

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- d. Staff training for collecting new data elements.
 - 2. Costs associated with developing other BBH-requested data reporting system.
 - 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
- 1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 - 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs":
 - 1. Gym Membership;
 - 2. In SHAPE (includes gym membership);
 - 3. Weight Watchers; and
 - 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).

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- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.
- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.
- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.
- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.
- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.
- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.
- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.
- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.

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- B.** The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 2. Policy and standard procedures for:
 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 4. Communicating client information when referring a client to other agency for information and services.
 5. Activities to develop and implement the NH Care Path Model; and
 6. Timelines and staff to perform those activities.
- C.** The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D.** The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E.** The Contractor shall, at a minimum:
1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A.** The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B.** The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C.** The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 2. Promote military culture and competence within the CMHC;
 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use

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disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.

- B.** At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C.** The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D.** The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E.** The Contractor shall comply with all reporting requirements under the PATH Grant.
- F.** The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G.** As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

Region 10 FY16 CMHC Exhibit A

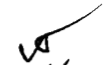
Contractor Initials: 
Date: 4/22/2015

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731
6. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.

- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
- a. The vendor shall directly bill the other insurance or payors.
- G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Homeless and Housing Federal Grant	29,500
Div. for Children Youth and Families (DCYF) Consultation	1,770
Assertive Community Treatment Team (ACT)	201,244
Emergency Services	60,923
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	70,285
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$386,522

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
- a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 10 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services:** Disallowance of Costs: 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.
13. **Credits:** 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:
 - 13.1. 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.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



-
- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:
- 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:
- 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
- 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
- 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
- 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
- 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
- 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
- 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
- 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
 - 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
 - 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
 - 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
 - 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
 - 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
- 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
- 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

Contractor Name:

April 22, 2015
Date

Vic Topo
Name: VIC TOPO
Title: PRESIDENT/CEO



CERTIFICATION REGARDING LOBBYING

The Contractor 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

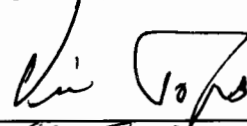
The undersigned certifies, to the best of his or her knowledge and belief, that:

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.

Contractor Name:

April 22, 2015
Date



Name: VIC TOPO
Title: PRESIDENT / CEO



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

The Contractor 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.

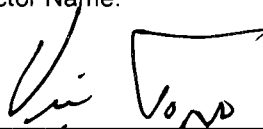
PRIMARY COVERED TRANSACTIONS

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 (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.

April 22, 2015
Date

Contractor Name:


Name: Vic Topo
Title: President / CEO



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

The Contractor 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:

Contractor 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

Contractor Initials

W

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

April 22, 2015
Date

Contractor Name:

Vic Topo
Name: Vic Topo
Title: President/CEO

Exhibit G

Contractor Initials WT

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

Date 4/22/2015



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 Contractor 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 Contractor 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.

Contractor Name:

April 22, 2015
Date

Vic Topo
Name: Vic Topo
Title: President/CEO



Exhibit I

HEALTH INSURANCE PORTABILITY 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

[Handwritten signature]



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.

VR



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.

NH Dept of Health & Human Services
The State

The Mental Health Center of Southern
New Hampshire d/b/a CLM Center for Life Management
Name of the Contractor

Kathleen Alvar
Signature of Authorized Representative

Vic Topo
Signature of Authorized Representative

Kathleen A Dunn
Name of Authorized Representative

Vic Topo
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

President / CEO
Title of Authorized Representative

6/4/15
Date

April 22, 2015
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:

April 22, 2015
Date

Vic Topo
Name: Vic Topo
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: 085573541
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: _____

CERTIFICATE OF VOTE

I, Judith Ryan, do hereby certify that:

1. I am the duly elected Clerk of The Mental Health Center for Southern New Hampshire
DBA CLM Center for Life Management
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on April 22, 2015.

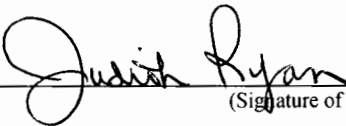
RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services**

RESOLVED: That the President/CEO hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of April 22, 2015.
4. Vic Topo is duly elected President/CEO of the Corporation.

(Seal)
(Corporation)



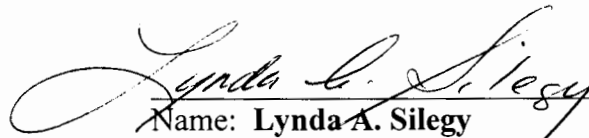
(Signature of Board Secretary)

State of New Hampshire

County of Rockingham

The foregoing instrument was acknowledged before me this 22 day of April, 2015

by Judith Ryan.



Name: **Lynda A. Silegy**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: _____ **LYNDA A. SILEGY**
Notary Public - New Hampshire
My Commission Expires August 5, 2019

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 The Mental Health Center for Southern New Hampshire is a New Hampshire nonprofit corporation formed April 17, 1967. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2015

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

William M. Gardner
Secretary of State

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 CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire trade name registered on June 30, 2003 and that The Mental Health Center for Southern New Hampshire presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



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. 2015

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

William M. Gardner
Secretary of State



MISSION STATEMENT

The mission of CLM Center for Life Management is to promote and advance the mental health and emotional well-being of the individuals, families, and organizations within our communities.

We accomplish this through professional, individualized, comprehensive services and by partnering with other organizations that share our philosophy.

**THE MENTAL HEALTH CENTER FOR
SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE
MANAGEMENT AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years ended June 30, 2014 and 2013

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Independent Auditor's Report

To the Board of Directors of
The Mental Health Center for Southern New Hampshire
d/b/a/ CLM Center for Life Management and Affiliates

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The financial statements of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates as of June 30, 2013, were audited by other auditors whose report dated October 1, 2013, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived. Refer to Note for additional information regarding comparative information.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 October 10, 2014, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates 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 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 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 The Mental Health Center for Southern New Hampshire d/b/a/ CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.



Essex Junction, Vermont
Registration number VT092.0000684
October 10, 2014

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Financial Position
June 30, 2014 and 2013

	<u>ASSETS</u>	
	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and cash equivalents	\$ 684,160	\$ 429,199
Restricted cash	126,842	124,439
Accounts receivable, net	1,174,229	907,893
Other receivables	161,077	141,960
Prepaid expenses	<u>94,950</u>	<u>62,886</u>
Total current assets	2,241,258	1,666,377
Property and equipment, net	4,169,523	4,416,653
Finance costs, net	<u>344,696</u>	<u>362,964</u>
Total assets	<u>\$ 6,755,477</u>	<u>\$ 6,445,994</u>

<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Line of credit	\$ 125,000	\$ -
Current portion of long-term debt	80,000	108,809
Accounts payable	58,476	76,018
Accrued payroll and payroll liabilities	184,022	153,878
Accrued vacation	272,871	274,697
Accrued interest	46,830	49,000
Accrued expenses	<u>44,317</u>	<u>39,532</u>
Total current liabilities	811,516	701,934
Long-term-debt less current portion	<u>3,265,000</u>	<u>3,368,380</u>
Total liabilities	4,076,516	4,070,314
Net assets - unrestricted	<u>2,678,961</u>	<u>2,375,680</u>
Total liabilities and unrestricted net assets	<u>\$ 6,755,477</u>	<u>\$ 6,445,994</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Activities
Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<u>Public support and revenues:</u>		
Public support:		
Federal	\$ 1,053,327	\$ 970,014
State of New Hampshire - BBH	222,954	222,955
State and local funding	48,295	47,400
Other public support	<u>31,262</u>	<u>38,322</u>
Total public support	1,355,838	1,278,691
Revenues:		
Program service fees, net	10,429,373	9,964,952
Other service income	464,564	365,753
Rental income	81,374	83,794
Other	51,237	19,140
Gain on sale of building	<u>80,182</u>	<u>-</u>
Total revenues	<u>11,106,730</u>	<u>10,433,639</u>
Total public support and revenues	12,462,568	11,712,330
<u>Expenses:</u>		
BBH funded programs:		
Children	3,361,775	3,182,135
Elders	272,311	287,693
Vocational	234,468	285,723
Beaver Lake Lodge	874,974	828,851
Multi-Service	1,550,062	1,458,738
Acute Care	708,911	662,924
Independent Living	1,747,909	1,746,387
Assertive Community Treatment	459,474	409,008
Non-Specialized Outpatient	1,353,207	1,338,833
Non-BBH funded program services	<u>595,134</u>	<u>535,639</u>
Total program expenses	11,158,225	10,735,931
Administrative expenses	<u>1,001,062</u>	<u>889,225</u>
Total expenses	<u>12,159,287</u>	<u>11,625,156</u>
Change in net assets	303,281	87,174
Net assets, beginning of year	<u>2,375,680</u>	<u>2,288,506</u>
Net assets, end of year	<u>\$ 2,678,961</u>	<u>\$ 2,375,680</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Functional Expenses
Years ended June 30, 2014 and 2013

	2014		2013		
	Program Services	Administrative	Program Services	Administrative	Total
	\$	\$	\$	\$	\$
Personnel costs:					
Salaries and wages	6,994,837	644,395	6,748,947	575,861	7,324,808
Employee benefits	1,299,328	98,688	1,245,700	81,380	1,327,080
Payroll taxes	510,573	46,574	484,773	43,799	528,572
Accounting/audit fees	48,292	4,087	49,088	5,994	55,082
Advertising	11,521	1,359	6,273	855	7,128
Conferences, conventions and meetings	23,008	13,290	12,327	10,736	23,063
Depreciation/amortization	214,599	17,433	209,083	16,607	225,690
Equipment maintenance	21,042	1,441	17,532	1,152	18,684
Equipment rental	23,209	2,978	21,561	2,826	24,387
Insurance	72,097	6,366	72,224	6,602	78,826
Interest expense	111,920	16,349	117,323	19,424	136,747
Legal fees	63,172	5,344	26,383	2,711	29,094
Membership dues	54,898	7,181	45,927	4,048	49,975
Occupancy expenses	748,987	25,811	727,627	22,392	750,019
Office expenses	182,965	34,102	154,375	28,779	183,154
Other expenses	41,427	21,771	24,308	6,379	30,687
Other professional fees	394,431	44,813	410,638	50,854	461,492
Program supplies	157,842	7,205	173,515	7,339	180,854
Travel	184,077	1,875	188,327	1,487	189,814
	11,158,225	1,001,062	10,735,931	889,225	11,625,156
Administrative allocation	1,001,062	(1,001,062)	889,225	(889,225)	-
Total expenses	\$ 12,159,287	\$ -	\$ 11,625,156	\$ -	\$ 11,625,156

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Cash Flows
Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Increase in net assets	\$ 303,281	\$ 87,174
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	232,032	225,690
Gain on sale of building	(80,182)	-
(Increase) decrease in:		
Restricted cash	(2,403)	(35,569)
Accounts receivable, net	(266,336)	(65,395)
Other receivables	(19,117)	31,991
Prepaid expenses	(32,064)	(8,555)
Increase (decrease) in:		
Accounts payable and accrued expenses	13,391	5,536
Deferred revenue	-	(12,000)
Net cash provided by operating activities	<u>148,602</u>	<u>228,872</u>
Cash flows from investing activities:		
Proceeds from sale of property	200,335	-
Purchases of property and equipment	(80,833)	(38,789)
Finance costs	(5,954)	-
Net cash provided (used) by investing activities	<u>113,548</u>	<u>(38,789)</u>
Cash flows from financing activities:		
Net borrowing (payments) on line of credit	125,000	(200,000)
Principal payments on long term debt	(132,189)	(72,330)
Net cash used in financing activities	<u>(7,189)</u>	<u>(272,330)</u>
Net increase (decrease) in cash and cash equivalents	254,961	(82,247)
Cash and cash equivalents, beginning of year	<u>429,199</u>	<u>511,446</u>
Cash and cash equivalents, end of year	<u>\$ 684,160</u>	<u>\$ 429,199</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	<u>\$ 130,439</u>	<u>\$ 125,299</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the “Agency”) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

West Rock Endowment Association, Inc. (the “Association”) was a title holding company as defined by the Internal Revenue Service, whose sole purpose was to lease its real estate holdings to qualifying exempt organizations. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members. The Association was dissolved in June 2014. Refer to Note 12 for additional information of the dissolution.

During 2006, the Center for Life Management Foundation (the “Foundation”) was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management, West Rock Endowment Association, Inc., and the Center for Life Management Foundation are collectively referred to the “Organization”.

Basis of consolidation

The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and its Affiliates, West Rock Endowment Association, Inc. and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification (“ASC”) *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization’s financial statement presentation is required by the Not-for-Profit *Presentation of Financial Statements* topic of the FASB ASC. The Organization is required to report information regarding its financial position and activities according to the following three classifications of net assets based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

At June 30, 2014 and 2013, the Organization had no temporarily or permanently restricted net assets.

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents include savings, money market accounts, and certificates of deposits.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$371,644 and \$371,480 as of June 30, 2014 and 2013, respectively. Refer to Note 4 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 – 40 years
Automobiles	3 – 15 years
Equipment	5 – 7 years

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 2. Basis of accounting and summary of significant accounting policies (continued)

All equipment valued at \$500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$207,809 and \$208,043 for the years ended June 30, 2014 and 2013, respectively.

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. The costs are amortized over the term of the respective financing arrangement. Amortization expense was \$24,223 and \$17,647 for the years ended June 30, 2014 and 2013, respectively.

Vacation pay and fringe benefits

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

Fair value measurements and financial instruments

The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 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. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Contributions

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions received are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenues, and expenses as net assets released from restrictions.

Restricted contributions that meet the restriction in the same reporting period are reported as increases in unrestricted net assets.

Third-party contractual arrangements

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service rates for services rendered to patients covered by these programs are received. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising expenses

The Organization expenses advertising costs as they are incurred.

Expense allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income taxes

The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

The Association was a 501(c)(2) title holding company whose sole purpose is to lease its real estate holdings to qualifying organizations. The Association was dissolved in June 2014.

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 2. Basis of accounting and summary of significant accounting policies (continued)

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. *Accounting for Uncertain Income Taxes* did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2011, 2012 and 2013 are subject to examination by the IRS, generally for three years after filing.

Comparative financial statements

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ending June 30, 2013, from which the summarized information was derived.

Subsequent events

The Organization has evaluated all subsequent events through October 10, 2014, the date the financial statements were available to be issued.

Note 3. Restricted cash

As of June 30, 2014 and 2013, the Organization had restricted cash of \$126,842 and \$124,439, respectively. The amounts represent cash which is restricted for debt service requirements, as designated by the Series 2006 bonds.

Note 4. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	2014			2013		
	Receivable			Receivable		
Accounts receivable	Receivable	Allowance	Net	Receivable	Allowance	Net
Clients	\$ 534,588	\$ (313,184)	\$ 221,404	\$ 540,356	\$ (344,265)	\$ 196,091
Insurance companies	131,465	(4,734)	126,731	151,163	(6,873)	144,290
Medicaid	602,084	(17,788)	584,296	455,647	(9,697)	445,950
Medicare	277,736	(35,938)	241,798	132,207	(10,645)	121,562
	<u>\$1,545,873</u>	<u>\$ (371,644)</u>	<u>\$ 1,174,229</u>	<u>\$1,279,373</u>	<u>\$ (371,480)</u>	<u>\$ 907,893</u>
<u>Other receivables</u>				<u>2014</u>		<u>2013</u>
Towns				\$ 19,500		\$ 21,500
NH Division of Mental Health				68,582		72,025
Miscellaneous				72,995		48,435
				<u>\$ 161,077</u>		<u>\$ 141,960</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 5. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2014</u>	<u>2013</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	\$ <u>1,174,229</u>	\$ <u>907,893</u>
Other receivables due from entities located in New Hampshire	\$ <u>161,077</u>	\$ <u>141,960</u>

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2014 and 2013, the Organization had approximately \$96,000 and \$0 in uninsured cash balances.

Note 6. Property

Property and equipment consists of the following at June 30:

	<u>2014</u>	<u>2013</u>
Land	\$ 632,418	\$ 687,307
Buildings and improvements	4,175,624	4,475,044
Automobiles	93,388	89,335
Equipment	<u>1,401,055</u>	<u>1,613,141</u>
	6,302,485	6,864,827
Less: accumulated depreciation	<u>(2,169,493)</u>	<u>(2,489,568)</u>
	4,132,992	4,375,259
Construction in progress	<u>36,531</u>	<u>41,394</u>
Property and equipment, net	\$ <u>4,169,523</u>	\$ <u>4,416,653</u>

Note 7. Line of credit

As of June 30, 2014, the Organization has a demand line of credit with People's United Bank with a borrowing capacity of \$1,500,000, which is available through December 31, 2014, the annual review date. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 4.00%. The outstanding balance on the line at June 30, 2014 was \$125,000. The line of credit is secured by all business assets and real estate.

As of June 30, 2013, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$750,000. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 5.00%. The outstanding balance on the line at June 30, 2013 was \$0. The line of credit is secured by all business assets and real estate.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 8. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2014</u>	<u>2013</u>
People's United Bank -		
Mortgage payable in monthly principal and interest installments of \$2,489, with interest fixed at 5.823%, secured by certain real estate. Mortgage was paid off in 2014.	\$ -	\$ 57,189
Series 2006 New Hampshire Health and Education Facilities Bond-		
Payable through 2036, original principal of \$3,700,000, remarketed and sold to Centrix Bank December 2011 at 2.80% per annum.	<u>3,345,000</u>	<u>3,420,000</u>
Total long term debt	3,345,000	3,477,189
Less: current portion of long term debt	<u>(80,000)</u>	<u>(108,809)</u>
Long term debt, less current portion	<u>\$ 3,265,000</u>	<u>\$ 3,368,380</u>

Future maturities of long term debt are as follows:

<u>Year ending June 30,</u>	
2015	\$ 80,000
2016	85,000
2017	90,000
2018	95,000
2019	100,000
Thereafter	<u>2,895,000</u>
Total	<u>\$ 3,345,000</u>

In accordance with the Series 2006 bond issuance, there is a ten-year letter of credit commitment (currently with People's United Bank) to support the tax-exempt bonds issue. An 0.85% fee on the outstanding letter of credit balance is required. During the years ending June 30, 2014 and 2013, fees were incurred on the outstanding letter of credit, which are included in interest expense.

The bonds are secured by land, building, equipment, and certain revenues. The Organization is subject to certain financial covenants required by the bonds.

Note 9. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled \$61,383 and \$0 for the years ending June 30, 2014 and 2013, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 10. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, effective June 1, 2013, and will expire on December 31, 2014, whereby CLM provides psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis. In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

For the years ending June 30, 2014 and 2013, the Agency received approximately 58% and 57%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds that can be taken as a grant or pledged in full or in part for leveraging matching federal Medicaid dollars.

Note 11. Lease commitments

The Agency leases facilities under various operating leases. Rent expense recorded under these arrangements was approximately \$63,000 and \$85,000 for the years ended June 30, 2014 and 2013, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2014:

<u>Year ending June 30,</u>	
2015	\$ 105,954
2016	109,947
2017	109,947
2018	117,773
2019	<u>117,773</u>
Total	<u>\$ 561,394</u>

Note 12. Dissolution

The Board of Directors of West Rock Endowment Association, Inc. executed a Statement of Dissolution effective June 25, 2014. The Statement of Dissolution included a provision that all remaining assets be distributed to the related 501(c)(3) organization, The Mental Health Center for Southern New Hampshire, d/b/a/ CLM Center for Life Management.

In accordance with FASB Accounting Standards Codification section 860, the distribution of the remaining assets is accounted for as a sale of financial assets in which a gain or loss is recognized in an amount equal to the assets transferred, net of any liabilities assumed.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2014 and 2013

Note 10. Dissolution (continued)

The transfer resulted in cash of \$205,123 being transferred from the Association to CLM and \$32,027 being transferred to CLM as a payoff on the People's United mortgage payable discussed in Note 8. The resulting transfers of \$237,150 are reported as gain on transfer of assets for CLM and loss from transfer of assets for the Association. The amounts are appropriately eliminated in consolidation.

SUPPLEMENTARY INFORMATION

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Position
June 30, 2014

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 559,850	\$ -	\$ 124,310	\$ 684,160	\$ -	\$ 684,160
Restricted cash	126,842	-	-	126,842	-	126,842
Accounts receivable, net	1,174,229	-	-	1,174,229	-	1,174,229
Other receivables	161,077	-	-	161,077	-	161,077
Prepaid expenses	94,950	-	-	94,950	-	94,950
Total current assets	2,116,948	-	124,310	2,241,258	-	2,241,258
Property and equipment, net	4,169,523	-	-	4,169,523	-	4,169,523
Finance costs, net	344,696	-	-	344,696	-	344,696
Total assets	\$ 6,631,167	\$ -	\$ 124,310	\$ 6,755,477	\$ -	\$ 6,755,477

LIABILITIES AND NET ASSETS

Current liabilities:						
Line of credit	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000
Current portion of long-term debt	80,000	-	-	80,000	-	80,000
Accounts payable	58,476	-	-	58,476	-	58,476
Accrued payroll and payroll liabilities	184,022	-	-	184,022	-	184,022
Accrued vacation	272,871	-	-	272,871	-	272,871
Accrued interest	46,830	-	-	46,830	-	46,830
Accrued expenses	44,317	-	-	44,317	-	44,317
Total current liabilities	811,516	-	-	811,516	-	811,516
Long-term-debt less current portion	3,265,000	-	-	3,265,000	-	3,265,000
Total liabilities	4,076,516	-	-	4,076,516	-	4,076,516
Net assets - unrestricted	2,554,651	-	124,310	2,678,961	-	2,678,961
Total liabilities and unrestricted net assets	\$ 6,631,167	\$ -	\$ 124,310	\$ 6,755,477	\$ -	\$ 6,755,477

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Position
June 30, 2013

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 286,174	\$ 17,268	\$ 125,757	\$ 429,199	\$ -	\$ 429,199
Restricted cash	124,439	-	-	124,439	-	124,439
Accounts receivable, net	907,893	-	-	907,893	-	907,893
Other receivables	141,960	-	-	141,960	-	141,960
Prepaid expenses	62,886	-	-	62,886	-	62,886
Total current assets	1,523,352	17,268	125,757	1,666,377	-	1,666,377
Property and equipment, net	4,287,980	128,673	-	4,416,653	-	4,416,653
Finance costs, net	362,964	-	-	362,964	-	362,964
Total assets	\$ 6,174,296	\$ 145,941	\$ 125,757	\$ 6,445,994	\$ -	\$ 6,445,994

LIABILITIES AND NET ASSETS

Current liabilities:						
Current portion of long-term debt	\$ 108,809	\$ -	\$ -	\$ 108,809	\$ -	\$ 108,809
Accounts payable	76,018	-	-	76,018	-	76,018
Accrued payroll and payroll liabilities	153,878	-	-	153,878	-	153,878
Accrued vacation	274,697	-	-	274,697	-	274,697
Accrued interest	49,000	-	-	49,000	-	49,000
Accrued expenses	39,532	-	-	39,532	-	39,532
Total current liabilities	701,934	-	-	701,934	-	701,934
Long-term-debt less current portion	3,368,380	-	-	3,368,380	-	3,368,380
Total liabilities	4,070,314	-	-	4,070,314	-	4,070,314
Net assets - unrestricted	2,103,982	145,941	125,757	2,375,680	-	2,375,680
Total liabilities and unrestricted net assets	\$ 6,174,296	\$ 145,941	\$ 125,757	\$ 6,445,994	\$ -	\$ 6,445,994

**THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES**
Consolidating Statement of Activities
For the Year Ended June 30, 2014

	<u>Center for Life Management</u>	<u>West Rock Endowment</u>	<u>CLM Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Public support and revenues:</u>						
Public support:						
Federal	\$ 1,053,327	-	-	\$ 1,053,327	-	\$ 1,053,327
State of New Hampshire - BBH	222,954	-	-	222,954	-	222,954
State and local funding	48,295	-	-	48,295	-	48,295
Other public support	31,262	-	-	31,262	-	31,262
Total public support	<u>1,355,838</u>	<u>-</u>	<u>-</u>	<u>1,355,838</u>	<u>-</u>	<u>1,355,838</u>
Revenues:						
Program service fees, net	10,429,373	-	-	10,429,373	-	10,429,373
Other service income	464,564	-	-	464,564	-	464,564
Rental income	81,374	22,500	-	103,874	(22,500)	81,374
Other	16,268	83	34,886	51,237	-	51,237
Gain on sale of building	-	80,182	-	80,182	-	80,182
Gain from transfer of assets	237,150	-	-	237,150	(237,150)	-
Total revenues	<u>11,228,729</u>	<u>102,765</u>	<u>34,886</u>	<u>11,366,380</u>	<u>(259,650)</u>	<u>11,106,730</u>
Total public support and revenues	<u>12,584,567</u>	<u>102,765</u>	<u>34,886</u>	<u>12,722,218</u>	<u>(259,650)</u>	<u>12,462,568</u>
<u>Expenses:</u>						
BBH funded programs:						
Children	3,361,775	-	-	3,361,775	-	3,361,775
Elders	272,311	-	-	272,311	-	272,311
Vocational	234,468	-	-	234,468	-	234,468
Beaver Lake Lodge	874,974	-	-	874,974	-	874,974
Multi-Service	1,550,062	-	-	1,550,062	-	1,550,062
Acute Care	708,911	-	-	708,911	-	708,911
Independent Living	1,747,909	-	-	1,747,909	-	1,747,909
Assertive Community Treatment	459,474	-	-	459,474	-	459,474
Non-Specialized Outpatient	1,353,207	-	-	1,353,207	-	1,353,207
Non-BBH funded program services	<u>569,745</u>	<u>11,556</u>	<u>36,333</u>	<u>617,634</u>	<u>(22,500)</u>	<u>595,134</u>
Total program expenses	<u>11,132,836</u>	<u>11,556</u>	<u>36,333</u>	<u>11,180,725</u>	<u>(22,500)</u>	<u>11,158,225</u>
Administrative expenses	<u>1,001,062</u>	<u>-</u>	<u>-</u>	<u>1,001,062</u>	<u>-</u>	<u>1,001,062</u>
Total expenses	<u>12,133,898</u>	<u>11,556</u>	<u>36,333</u>	<u>12,181,787</u>	<u>(22,500)</u>	<u>12,159,287</u>
Loss from transfer of assets	-	237,150	-	237,150	(237,150)	-
Total expenses and losses	<u>12,133,898</u>	<u>248,706</u>	<u>36,333</u>	<u>12,418,937</u>	<u>(259,650)</u>	<u>12,159,287</u>
Change in net assets	450,669	(145,941)	-	303,281	-	303,281
Net assets, beginning of year	2,103,982	145,941	125,757	2,375,680	-	2,375,680
Net assets, end of year	<u>\$ 2,554,651</u>	<u>\$ -</u>	<u>\$ 124,310</u>	<u>\$ 2,678,961</u>	<u>\$ -</u>	<u>\$ 2,678,961</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2013

	<u>Center for Life Management</u>	<u>West Rock Endowment</u>	<u>CLM Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Public support and revenues:</u>						
Public support:						
Federal	\$ 970,014	-	\$ -	\$ 970,014	-	\$ 970,014
State of New Hampshire - BBH	222,955	-	-	222,955	-	222,955
State and local funding	47,400	-	-	47,400	-	47,400
Other public support	7,235	-	31,087	38,322	-	38,322
Total public support	1,247,604	-	31,087	1,278,691	-	1,278,691
Revenues:						
Program service fees, net	9,964,952	-	-	9,964,952	-	9,964,952
Other service income	365,753	-	-	365,753	-	365,753
Rental income	83,794	15,930	-	99,724	(15,930)	83,794
Other	19,140	3	-	19,143	(3)	19,140
Total revenues	10,433,639	15,933	-	10,449,572	(15,933)	10,433,639
Total public support and revenues	11,681,243	15,933	31,087	11,728,263	(15,933)	11,712,330
<u>Expenses:</u>						
BBH funded programs:						
Children	3,182,135	-	-	3,182,135	-	3,182,135
Elders	287,693	-	-	287,693	-	287,693
Vocational	285,723	-	-	285,723	-	285,723
Beaver Lake Lodge	828,851	-	-	828,851	-	828,851
Multi-Service	1,458,738	-	-	1,458,738	-	1,458,738
Acute Care	662,924	-	-	662,924	-	662,924
Independent Living	1,746,387	-	-	1,746,387	-	1,746,387
Assertive Community Treatment	409,008	-	-	409,008	-	409,008
Non-Specialized Outpatient	1,338,833	-	-	1,338,833	-	1,338,833
Non-BBH funded program services	521,693	15,933	13,946	551,572	(15,933)	535,639
Total program expenses	10,721,985	15,933	13,946	10,751,864	(15,933)	10,735,931
Administrative expenses	889,225	-	-	889,225	-	889,225
Total expenses	11,611,210	15,933	13,946	11,641,089	(15,933)	11,625,156
Change in net assets	70,033	-	17,141	87,174	-	87,174
Net assets, beginning of year	2,033,949	145,941	108,616	2,288,506	-	2,288,506
Net assets, end of year	\$ 2,103,982	\$ 145,941	\$ 125,757	\$ 2,375,680	\$ -	\$ 2,375,680

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Analysis of Accounts Receivable
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 540,356	\$ 1,569,584	\$ (395,901)	\$ (1,179,451)	\$ -	\$ 534,588
Insurance companies	151,163	2,003,954	(425,890)	(1,597,762)	-	131,465
Medicaid	455,647	8,876,332	(1,672,500)	(7,057,395)	-	602,084
Medicare	132,207	735,530	(261,736)	(328,265)	-	277,736
Allowance	(371,480)	-	-	-	(164)	(371,644)
Total	\$ 907,893	\$ 13,185,400	\$ (2,756,027)	\$ (10,162,873)	\$ (164)	\$ 1,174,229

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Revenues and Expenses
For the Year Ended June 30, 2014

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
Public support and revenues:													
Public support:													
Federal	\$ 22,498	\$ -	\$ 2,522	\$ 252,352	\$ 40,153	\$ 10,081	\$ 687,971	\$ 5,776	\$ 19,428	\$ 12,546	\$ 1,053,327	\$ -	\$ 1,053,327
State of New Hampshire - BBH	1,770	-	-	-	-	141,185	-	79,999	-	-	222,954	-	222,954
State and local funding	30,428	-	-	-	-	-	-	-	3,267	14,600	48,295	-	48,295
Other public support	1,973	-	-	28,500	-	-	-	-	-	789	31,262	-	31,262
Total public support	56,669	-	2,522	280,852	40,153	151,266	687,971	85,775	22,695	27,935	1,355,838	-	1,355,838
Revenues:													
Program service fees, net	3,934,058	498,879	214,029	580,586	1,948,611	249,650	1,279,167	378,123	969,810	376,460	10,429,373	-	10,429,373
Other service income	73,592	7,783	-	-	-	284,923	-	-	42,649	55,617	464,564	-	464,564
Rental income	833	-	-	77,982	833	833	-	-	893	-	81,374	-	81,374
Other	(2,621)	14	-	148	(2,277)	73	3,415	(268)	13,871	87	12,442	3,826	16,268
Gain from transfer of assets	57,933	5,375	5,231	15,489	27,387	11,673	27,387	11,283	25,953	1,435	189,146	48,004	237,150
Total revenues	4,005,862	506,676	214,029	658,716	1,947,167	535,479	1,282,582	377,855	1,027,223	432,164	10,987,753	3,826	11,228,729
Total public support and revenues	4,062,531	506,676	216,551	939,568	1,987,320	686,745	1,970,553	463,630	1,049,918	460,099	12,343,591	3,826	12,584,567
Total program expenses	3,664,073	296,798	255,551	953,653	1,689,446	772,657	1,905,084	500,791	1,474,890	620,955	12,133,898	-	12,133,898
Net	\$ 398,458	\$ 209,878	\$ (39,000)	\$ (14,085)	\$ 297,874	\$ (85,912)	\$ 65,469	\$ (37,161)	\$ (424,972)	\$ (160,856)	\$ 209,693	\$ 3,826	\$ 450,669

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Expenses
For the Year Ended June 30, 2014

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
Personnel costs:													
Salaries and wages	\$ 2,268,090	\$ 187,294	\$ 147,349	\$ 473,327	\$ 1,021,561	\$ 510,571	\$ 799,211	\$ 286,061	\$ 946,983	\$ 354,390	\$ 6,994,837	\$ 644,395	\$ 7,639,232
Employee benefits	401,898	31,677	35,362	109,471	243,783	63,787	168,298	65,538	135,851	43,663	1,299,328	98,688	1,398,016
Payroll taxes	167,323	13,765	10,480	34,586	72,865	38,125	58,303	20,057	69,733	25,336	510,573	46,574	557,147
Accounting/audit fees	14,635	1,357	1,321	3,913	6,921	2,950	6,921	2,853	6,555	365	47,791	4,087	51,878
Advertising	3,007	234	280	821	1,410	1,147	1,439	487	2,407	289	11,521	1,359	12,880
Conferences, conventions and meetings	4,803	291	672	1,757	1,530	1,074	5,009	4,110	1,241	2,521	23,008	13,290	36,298
Depreciation/amortization	63,120	5,856	5,700	16,875	29,839	12,718	29,839	12,293	28,274	1,565	206,079	17,433	223,512
Equipment maintenance	5,215	484	471	4,483	2,928	1,051	2,928	1,016	2,336	130	21,042	1,441	22,483
Equipment rental	11,059	302	5	695	2,914	3,147	1,164	11	3,340	572	23,209	2,978	26,187
Insurance	20,998	1,948	1,896	7,386	11,698	4,231	9,926	4,089	9,406	519	72,097	6,366	78,463
Interest expense	34,309	3,178	3,094	9,164	16,202	6,902	16,195	6,672	15,355	849	111,920	16,349	128,269
Legal fees	19,349	1,795	1,747	5,173	9,147	3,899	9,147	3,768	8,667	480	63,172	5,344	68,516
Membership dues	7,435	871	699	2,308	4,476	1,538	20,590	1,455	3,340	12,186	54,898	7,181	62,079
Occupancy expenses	57,024	9,802	580	83,382	37,091	13,972	491,402	4,323	44,600	25,461	767,637	25,811	793,448
Office expenses	53,400	2,980	3,333	22,582	24,363	14,436	21,549	6,531	24,627	9,164	182,965	34,102	217,067
Other expenses	3,278	281	97	481	2,246	1,018	1,287	1,224	2,124	1,372	13,408	21,771	35,179
Other professional fees	144,986	8,601	12,395	36,355	45,430	18,763	48,668	18,790	42,089	11,355	387,432	44,813	432,245
Program supplies	8,279	911	352	52,524	5,866	2,269	2,938	1,202	4,010	79,491	157,842	7,205	165,047
Travel	73,567	684	8,635	9,691	9,792	7,313	53,095	18,994	2,269	37	184,077	1,875	185,952
	3,361,775	272,311	234,468	874,974	1,530,062	708,911	1,747,909	459,474	1,353,207	569,745	11,132,836	1,001,062	12,133,898
Administrative allocation	302,298	24,487	21,083	78,679	139,384	63,746	157,175	41,317	121,683	51,210	1,001,062	(1,001,062)	-
Total program expenses	\$ 3,664,073	\$ 296,798	\$ 255,551	\$ 953,653	\$ 1,689,446	\$ 772,657	\$ 1,905,084	\$ 500,791	\$ 1,474,890	\$ 620,955	\$ 12,133,898	\$ -	\$ 12,133,898



Center for Life Management

BOARD OF DIRECTORS* FY2015

JULY 1, 2012 TO JUNE 30, 2015

CHAIRPERSON
Elizabeth Roth

VICE PRESIDENT
Ron Lague

SECRETARY
Wayne D. White

Philip Plante

Jeffrey Rind, MD

Gail Corcoran

PRESIDENT & CEO
Vic Topo

Judi Ryan

JULY 1, 2011 TO JUNE 30, 2014

Susan Davis

Laura Nelson

JULY 1, 2013 – JUNE 30, 2016

Vernon Thomas

JULY 1, 2014 – JUNE 30, 2017

Kurt Simione

Roger Konstant

VICTOR TOPO

President/Chief Executive Officer

Successful 28-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and Reinvention
- Team building and leadership
- Strategic planning
- Board Collaboration
- Joint ventures and strategic partnerships
- Strong relationship with funders
- Community building

Professional Experience

Center for Life Management – Derry, NH President/Chief Executive Officer

1999 – Present

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association. Began with revenues of 6.5 million and increased to 9 million. Restructured senior management increasing direct reports from three to six.

Key results:

- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate mental health care with physician healthcare. Integrated behavioral health services into 2 Primary Care/Pediatric Practices and one Specialty (GYN) Practice in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development of a Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars.
- Adopted Transcranial Magnetic Stimulation (TMS) as newest neurotech treatment for Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

Pathways, Inc. – Mentor, OH

1988 - 1999

Chief Executive Officer/Executive Director

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our community.
- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

Community Counseling Center – Ashtabula, OH

1983-1988

Case Management Supervisor/Case Manager

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

Key results:

- Transitioned consumers back into supervised and independent living.
- Recruited, trained and managed staff of five case managers.
- Designed and implemented agency's first case management program.

Education

Master of Social Work (MSW)

West Virginia University
Morgantown, WV

Bachelor of Arts (BA)

Siena College
Londonville, NY

Associate of Applied Science (AAS)

Fulton-Montgomery Community College
Johnstown, NY

Board/Leadership Positions

Heritage United Way – Board of Directors

Mental Health Commission – Co-Chair

Consumers and Families Work Group

Statewide Evidenced Based Practice Committee – Co-Chair

Greater Salem Chamber of Commerce – Board of Directors

Greater Derry/Londonderry Chamber of Commerce – Board of Directors

Greater Derry/Salem Regional Transportation Council (RTC) -
Chairman, Board of Directors, Derry, NH

Greater Salem Leadership Program – Graduate, Class of 2001

KEY ADMINISTRATIVE PERSONNEL - FY2016

CLM CENTER FOR LIFE MANAGEMENT

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Vic Topo	1.00	\$ 141,335.00	\$ 45,404.53	32%
Chief Financial Officer	Michael J. Bergeron	1.00	\$ 113,859.00	\$ 36,577.73	32%
Medical Director	Isabel Norian	1.00	\$ 193,203.00	\$ 62,067.36	32%
Chief Operations Officer	Lisa Madden	1.00	\$ 105,711.00	\$ 33,960.15	32%

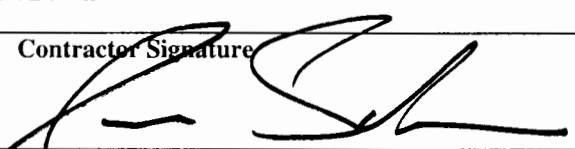
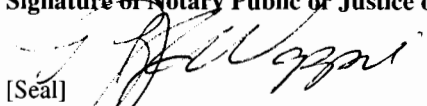
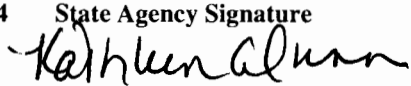
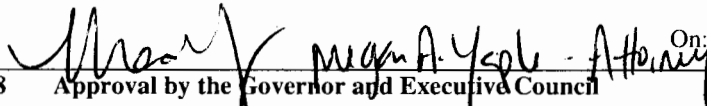
Subject: Mental Health Services

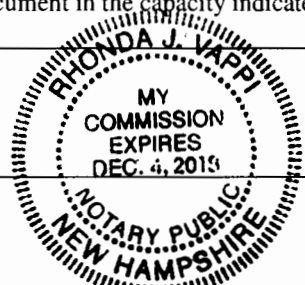
AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Northern Human Services		1.4 Contractor Address 87 Washington Street Conway, NH 03818	
1.5 Contractor Phone Number 603-447-3347	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$289,506.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory James Salmon, Treasurer	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Carroll</u> On <u>6/1/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  - Attorney On: <u>6/1/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			



2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials:

Date: JUN. 1, 2015

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
 - 1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 - 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 - 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



V. **COORDINATION WITH PRIMARY CARE PROVIDER**

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. **TRANSITION OF CARE**

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. **APPLICATION FOR OTHER SERVICES**

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. **COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS**

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. **MAINTENANCE OF FISCAL INTEGRITY**

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. **Days of Cash on Hand:**

- a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
 - c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.
2. **Current Ratio:**
- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
 - b. Formula: Total current assets divided by total current liabilities.
 - c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.
3. **Debt Service Coverage Ratio:**
- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
 - b. Definition: The ratio of Net Income to the year to date debt service.
 - c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
 - d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
 - e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.
4. **Net Assets to Total Assets:**
- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
 - b. Definition: The ratio of the Contractor's net assets to total assets.
 - c. Formula: Net assets (total assets less total liabilities) divided by total assets.
 - d. Source of Data: The Contractor's Monthly Financial Statements.
 - e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.

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- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractors cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.

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XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.

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XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten



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(10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);

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- c. Software and/or training purchased to improve Phoenix data collection; or
 - d. Staff training for collecting new data elements.
- 2. Costs associated with developing other BBH-requested data reporting system.
 - 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
- 1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 - 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.
- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.

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- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;
 - 4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 - 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 - 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 - 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:

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1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIII. CRISIS HOUSING MORTGAGE SUBSIDY

The Contractor shall provide use of a building located at 179 Emery Street, Berlin, NH, for alternative housing for state eligible consumers. The Department shall reimburse the Contractor for the use of the building in accordance with Exhibit B.

Region 1 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-7851-102-500731
4. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.

2. Other insurance/payors:

- a. The vendor shall directly bill the other insurance or payors.

- G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Crisis Housing Mortgage Subsidy	11,000
Div. for Children Youth and Families (DCYF) Consultation	5,310
Assertive Community Treatment Team (ACT)	201,244
Emergency Services	49,152
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$289,506

2. Payment for each contracted service in the above table (Except for Crisis Housing Mortgage) shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
- The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - The Contractor shall provide invoices on Department supplied forms.
 - The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
 Bureau of Behavioral Health
 Department of Health and Human Services
 105 Pleasant Street, Main Building
 Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.
7. Crisis Housing Mortgage Subsidy: The Contractor shall use the funding to assist with the mortgage payments on the building defined in Exhibit A, Section XXIV. The Department shall pay the Contractor according to a mortgage payment schedule approved by the Department. Total payments to the Contractor shall not exceed the total of the Contractor's mortgage invoices. The Contractor shall submit copies of their mortgage invoices each month with the invoice defined in Section 2, above.

Region 1 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:
- 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:
- 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
- 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
- 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
- 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
- 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
- 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
- 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
- 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5. The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1. The Contractor shall submit the following fiscal reports:
- 9.5.1.1. The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.2. The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.3. On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2. The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3. For required federal reports, the Contractor shall:
- 9.5.3.1. Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2. Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
- 9.5.3.3. Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4. The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
11. Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
- 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
- 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

Contractor Name: Northern Human Services

Name: Eric M. Johnson
Title: CEO

6/1/15
Date



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: Northern Human Services

Name: Eric M. Johnson
Title: CEO

6/1/15
Date



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

The Contractor 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.

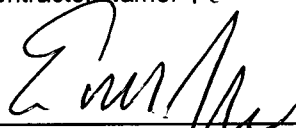
PRIMARY COVERED TRANSACTIONS

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 (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.

6/1/15
Date

Contractor Name: Northern Human Services

Name: Eric M. Johnson
Title: CEO



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

The Contractor 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:

Contractor 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

Contractor Initials

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Date

EMJ
6/11/15

New Hampshire Department of Health and Human Services
Exhibit G

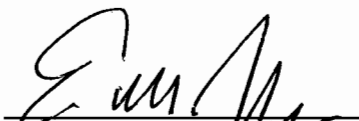


In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for 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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

Contractor Name: Northern Human Services


Name: Eric M. Johnson
Title: CEO

6/1/15
Date

Exhibit G

Contractor Initials

EMJ

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

Date

6/1/15



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 Contractor 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 Contractor 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.

Contractor Name: Northern Human Services

6/1/15
Date


Name: Eric M. Johnson
Title: CEO



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

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6/1/15



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

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6/1/15



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.

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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.

NH Dept. of Health & Human Services
The State

Northern Human Services
Name of the Contractor

Kathleen A. Dunn
Signature of Authorized Representative

[Signature]
Signature of Authorized Representative

Kathleen A. Dunn
Name of Authorized Representative

Eric M. Johnson
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

CEO
Title of Authorized Representative

6/4/15
Date

6/1/15
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: Northern Human Services

Name: Eric M. Johnson
Title: CEO

6/1/15
Date



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: 073973059
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:

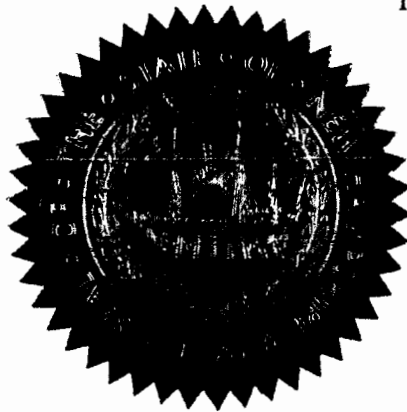
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 Northern Human Services is a New Hampshire nonprofit corporation formed March 3, 1971. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, **Madelene Costello**, do hereby certify that:

1. I am the duly elected Clerk of **Northern Human Services**.
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on **January 26, 2015**.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

To Provide: Mental Health Services

RESOLVED: That the **Treasurer** hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of **June 1, 2015.**
4. **James Salmon** is duly elected **Treasurer** of the Corporation.

(Seal)
(Corporation)

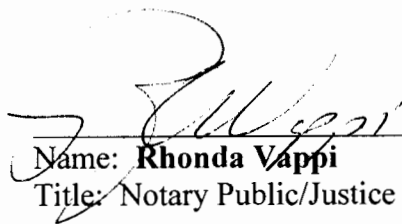

(Signature of Board Secretary)

State of **New Hampshire**

County of **Carroll**

The foregoing instrument was acknowledged before me this **1st** day of **June, 2015**
by **Madelene Costello**

(Seal)
(Notary Public)


Name: **Rhonda Vappi**
Title: Notary Public/Justice of the Peace

Commission Expires:



**Board of Directors Meeting Motions
January 26, 2015**

President's Report:

Motions – President, Marti Faulkner read the motions (distributed) and asked for the board's approval. Secretary, Maddie Costello motioned to accept as presented, seconded by Bob Fink and carried:

RESOLVED: Full board agreement to accept the motions as presented.

1. Bureau of Behavioral Health

The Members of the Board of Directors authorizes President, Marti Faulkner or Vice President, Steve Michaud or Treasurer, James Salmon to sign any and all necessary documents in order to enter into a contract/addendum/amendment with the State of NH, DHHS, Bureau of Behavioral Health.

1a. The Members of the Board of Directors authorizes Eric Johnson, CEO, to sign all Exhibits and any amendments to the Exhibits with the State of NH, DHHS, Bureau of Behavioral Health.

2. Bureau of Developmental Services

The Members of the Board of Directors authorizes President, Marti Faulkner or Vice President, Steve Michaud or Treasurer, James Salmon to sign any and all necessary documents in order to enter into a contract/addendum/amendment with the State of NH, DHHS, Bureau of Developmental Services.

2b. The Members of the Board of Directors authorizes Eric Johnson, CEO, to sign all Exhibits and any amendments to the Exhibits with the State of NH, DHHS, Bureau of Developmental Services.

3. Shallow River Properties Leases / Verdun & Kearsarge Management Agreements: To authorize President, Marti Faulkner, to sign any and all necessary documents in order to enter into an agreement with Shallow River Properties, Inc. (lessor) and NHS (leasee).

4. Granite State United Way: To authorize The MH Center's Area Director, Charlie Cotton, to sign any and all documents necessary to enter into an agreement with the United Way of Berlin.

5. Department of Corrections: To authorize Custom Services' Program Director, Janet Nickerson, to sign any and all documents necessary to enter into an agreement with the State of NH, acting through the Department of Administrative Services.

Client#: 1010836

NORTHHUM

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/22/2015

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: USI Insurance Svcs LLC, 3 Executive Park Drive, Suite 300, Bedford, NH 03110-0406, 855 874-0123. CONTACT NAME: Christine Skehan, PHONE: 855 874-0123, FAX: 484-652-5144, E-MAIL ADDRESS: Christine.Skehanusi.biz. INSURER(S) AFFORDING COVERAGE: INSURER A: Philadelphia Insurance Company (NAIC # 23850), INSURER B: NH Employers Insurance Company (NAIC # 13083).

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 SUBR INSR, WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include General Liability, Automobile Liability, Umbrella Liability, Workers Compensation, and Professional Liab.

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

Evidence of Insurance. Evidence of Insurance

CERTIFICATE HOLDER CANCELLATION

Certificate holder: Bureau of Behavioral Health, Main Bldg, Rm 214S 105 Pleasant St, Concord, NH 03301. Cancellation notice: 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: E. Gould Jones.

MISSION STATEMENT

To assist people affected by mental illness, developmental disabilities and related disorders in living meaningful lives.

STATEMENT OF VISION

Everyone who truly needs our services can receive them, as we strive to meet ever-changing needs through advocacy, innovation, collaboration and skill.

Financial Statements

NORTHERN HUMAN SERVICES, INC.

**FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
AND
INDEPENDENT AUDITORS' REPORT**

NORTHERN HUMAN SERVICES, INC.

JUNE 30, 2014 AND 2013

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To the Board of Directors of
Northern Human Services, Inc.
Conway, New Hampshire

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Northern Human Services, Inc. (a New Hampshire nonprofit organization) which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended June 30, 2014.

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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Human Services, Inc. as of June 30, 2014 and 2013, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2014 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Northern Human Services, Inc. June 30, 2013 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated September 30, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional revenues and expenses on pages 23 - 29 are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Leone, McDonnell + Roberts
Professional Association

October 3, 2014
North Conway, New Hampshire

NORTHERN HUMAN SERVICES, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents, undesignated	\$ 4,837,929	\$ 5,931,756
Cash and cash equivalents, designated	318,202	318,202
Accounts receivable, less allowance of \$280,000 for 2014 and 2013	2,199,034	2,921,773
Grants receivable	44,350	58,068
Assets, limited use	471,779	471,675
Due from related parties	291,041	143,792
Prepaid expenses and deposits	<u>198,857</u>	<u>213,832</u>
Total current assets	<u>8,361,192</u>	<u>10,059,098</u>
PROPERTY AND EQUIPMENT, NET	<u>201,211</u>	<u>61,474</u>
OTHER ASSETS		
Investments	1,548,598	35,265
Cash value of life insurance	<u>335,635</u>	<u>311,405</u>
Total other assets	<u>1,884,233</u>	<u>346,670</u>
Total assets	<u>\$ 10,446,636</u>	<u>\$ 10,467,242</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 293,998	\$ 291,266
Wages payable	521,864	443,459
Compensated absences payable	701,567	694,704
Other grants payable	25,453	32,557
Refundable advances	89,400	202,957
Medicaid contingency payments, State of New Hampshire	-	1,596,143
Client funds held in trust	<u>183,422</u>	<u>185,931</u>
Total liabilities	<u>1,815,704</u>	<u>3,447,017</u>
NET ASSETS		
Unrestricted		
Undesignated	8,059,025	6,447,368
Board designated	<u>318,202</u>	<u>318,202</u>
Total unrestricted	8,377,227	6,765,570
Temporarily restricted	1,288	2,238
Permanently restricted	<u>252,417</u>	<u>252,417</u>
Total net assets	<u>8,630,932</u>	<u>7,020,225</u>
Total liabilities and net assets	<u>\$ 10,446,636</u>	<u>\$ 10,467,242</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014 Total</u>	<u>2013 Total</u>
PUBLIC SUPPORT					
State and federal grants	\$ 773,864	\$ -	\$ -	\$ 773,864	\$ 908,600
Other public support	510,884	-	-	510,884	518,115
Local and county support	70,197	-	-	70,197	94,207
Donations	<u>354,916</u>	<u>3,297</u>	<u>-</u>	<u>358,213</u>	<u>245,406</u>
Total public support	1,709,861	3,297	-	1,713,158	1,766,328
OTHER REVENUES					
Program service fees	34,051,950	-	-	34,051,950	30,986,713
Production income	483,562	-	-	483,562	455,301
Other revenues	<u>391,694</u>	<u>-</u>	<u>-</u>	<u>391,694</u>	<u>389,106</u>
Total public support and other revenues	<u>36,637,067</u>	<u>3,297</u>	<u>-</u>	<u>36,640,364</u>	<u>33,597,448</u>
EXPENSES					
<u>Program Services</u>					
Mental health	10,431,530	-	-	10,431,530	11,290,116
Developmental services	<u>20,412,640</u>	<u>-</u>	<u>-</u>	<u>20,412,640</u>	<u>20,001,249</u>
Total program services	30,844,170	-	-	30,844,170	31,291,365
General management	<u>4,354,703</u>	<u>-</u>	<u>-</u>	<u>4,354,703</u>	<u>2,222,116</u>
Total expenses	<u>35,198,873</u>	<u>-</u>	<u>-</u>	<u>35,198,873</u>	<u>33,513,481</u>
EXCESS OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES	<u>1,438,194</u>	<u>3,297</u>	<u>-</u>	<u>1,441,491</u>	<u>83,967</u>
NON-OPERATING INCOME (LOSS)					
Investment income, net	143,598	-	-	143,598	-
Gain on sale of property	1,024	-	-	1,024	-
Change in split-interest agreement	-	-	-	-	(34,096)
Change in cash value of life insurance	24,230	-	-	24,230	23,082
Interest income	23	341	-	364	1,108
Net assets released from restrictions	<u>4,588</u>	<u>(4,588)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating income (loss)	<u>173,463</u>	<u>(4,247)</u>	<u>-</u>	<u>169,216</u>	<u>(9,906)</u>
Change in net assets	1,611,657	(950)	-	1,610,707	74,061
NET ASSETS, BEGINNING OF YEAR	<u>6,765,570</u>	<u>2,238</u>	<u>252,417</u>	<u>7,020,225</u>	<u>6,946,164</u>
NET ASSETS, END OF YEAR	<u>\$ 8,377,227</u>	<u>\$ 1,288</u>	<u>\$ 252,417</u>	<u>\$ 8,630,932</u>	<u>\$ 7,020,225</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,610,707	\$ 74,081
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	14,041	122,757
Unrealized gain on investments	(83,806)	-
Realized gain on investments	(41,406)	-
Gain on sale of property	(1,024)	-
Reinvested dividends	(18,386)	-
Change in split-interest agreement	-	34,096
Change in cash value of life insurance	(24,230)	(23,082)
(Increase) decrease in assets:		
Accounts receivable	722,739	(34,071)
Grants receivable	13,718	(9,319)
Assets, limited use	(104)	14,608
Due from related parties	(147,249)	155,548
Prepaid expenses and deposits	14,975	(13,850)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,732	5,520
Wages payable	78,405	(285,723)
Compensated absences payable	6,863	(7,272)
Other grants payable	(7,104)	16,024
Refundable advances	(113,557)	199,245
Medicaid contingency payments, State of New Hampshire	(1,596,143)	1,596,143
Client funds held in trust	(2,509)	(16,192)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>428,662</u>	<u>1,828,493</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,405,000)	-
Additions to property and equipment	(121,689)	(26,674)
Proceeds from sale of property	4,200	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,522,489)</u>	<u>(26,674)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Split interest agreement released from restriction	-	(35,265)
Principal payments on capital lease	-	(16,256)
Distribution to annuitant	-	(1,554)
NET CASH USED IN FINANCING ACTIVITIES	<u>-</u>	<u>(53,075)</u>
NET (DECREASE) INCREASE IN CASH AND EQUIVALENTS	(1,093,827)	1,748,744
CASH AND EQUIVALENTS - BEGINNING OF YEAR	<u>6,249,958</u>	<u>4,501,214</u>
CASH AND EQUIVALENTS - END OF YEAR	<u>\$ 5,156,131</u>	<u>\$ 6,249,958</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Mental</u>	<u>Developmental</u>		<u>General</u>	<u>2014</u>	<u>2013</u>
	<u>Health</u>	<u>Services</u>	<u>Subtotals</u>	<u>Management</u>	<u>Total</u>	<u>Total</u>
EXPENSES						
Salaries and wages	\$ 6,341,322	\$ 6,792,154	\$ 13,133,476	\$ 2,831,949	\$ 15,965,425	\$ 15,006,231
Employee benefits	1,298,714	1,554,200	2,852,914	577,666	3,430,580	2,915,249
Payroll taxes	468,116	536,675	1,004,791	210,766	1,215,557	1,178,694
Client wages	169,401	197,960	367,361	-	367,361	369,041
Professional fees	171,021	9,230,934	9,401,955	251,585	9,653,540	9,343,132
Staff development and training	35,572	22,275	57,847	9,440	67,287	42,158
Occupancy costs	519,437	560,428	1,079,865	166,809	1,246,674	1,248,019
Consumable supplies	203,786	277,676	481,462	69,238	550,700	532,706
Equipment expenses	72,323	37,985	110,288	18,814	129,102	218,866
Communications	156,058	129,638	285,696	84,662	370,358	384,822
Travel and transportation	300,752	803,475	1,104,227	44,885	1,149,112	1,130,149
Assistance to individuals	14,576	71,328	85,904	2,593	88,497	104,917
Insurance	48,182	56,388	104,570	24,314	128,884	132,952
Membership dues	45,236	27,226	72,462	49,223	121,685	90,412
Other expenses	<u>587,034</u>	<u>114,318</u>	<u>701,352</u>	<u>12,759</u>	<u>714,111</u>	<u>816,133</u>
Total expenses	\$ 10,431,530	\$ 20,412,640	\$ 30,844,170	\$ 4,354,703	\$ 35,198,873	\$ 33,513,481

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Non-Specialized Outpatient</u>	<u>State Eligible Adult Outpatient</u>	<u>Outpatient Contracts</u>	<u>Children and Adolescents</u>	<u>Emergency Services Non-BBH</u>	<u>Other Non-BBH</u>
EXPENSES						
Salaries and wages	\$ 552,811	\$ 732,415	\$ 186,273	\$ 713,714	\$ 479,728	\$ 172,308
Employee benefits	128,238	151,499	37,388	147,784	63,976	35,512
Payroll taxes	38,284	47,827	13,091	51,701	33,792	11,980
Client wages	-	-	-	-	-	-
Professional fees	16,880	14,652	3,714	32,029	7,175	17,981
Staff development and training	3,927	5,429	796	1,755	435	15,010
Occupancy costs	52,467	47,042	18,715	51,832	22,706	11,200
Consumable supplies	16,843	9,528	2,046	13,925	3,654	2,621
Equipment expenses	8,182	6,384	1,336	6,611	2,576	1,269
Communications	22,336	15,484	4,136	17,096	15,706	4,086
Travel and transportation	5,404	11,602	2,702	49,409	1,905	8,294
Assistance to individuals	2,507	-	13	911	-	4
Insurance	5,172	6,218	1,472	6,006	2,599	1,419
Membership dues	6,792	10,078	692	3,569	922	833
Other expenses	<u>27,495</u>	<u>22,680</u>	<u>306</u>	<u>14,152</u>	<u>33,204</u>	<u>475</u>
Total expenses	\$ <u>887,338</u>	\$ <u>1,080,838</u>	\$ <u>272,680</u>	\$ <u>1,110,494</u>	\$ <u>668,378</u>	\$ <u>282,992</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Bureau of Drug & Alcohol Services	Health Mentors	Vocational Services	Restorative Partial Hospital	Case Management	Supportive Living
EXPENSES						
Salaries and wages	\$ 121,113	\$ 73,154	\$ 105,613	\$ 93,815	\$ 773,354	\$ 671,865
Employee benefits	28,418	13,278	18,144	21,731	164,051	132,135
Payroll taxes	8,653	5,671	17,173	7,101	56,838	50,145
Client wages	-	-	101,001	-	-	-
Professional fees	2,743	1,000	1,621	1,518	21,222	10,910
Staff development and training	1,525	13	1,404	206	1,226	703
Occupancy costs	9,680	4,377	10,514	15,885	54,077	45,031
Consumable supplies	1,758	1,638	5,764	30,978	20,625	17,845
Equipment expenses	1,029	589	3,640	1,833	7,670	6,085
Communications	2,458	1,592	2,343	1,532	23,507	11,852
Travel and transportation	1,798	6,921	16,975	1,124	54,300	67,419
Assistance to individuals	-	-	24	641	242	5,709
Insurance	1,153	543	716	809	6,378	5,157
Membership dues	924	10,423	247	274	2,237	1,770
Other expenses	<u>27,996</u>	<u>-</u>	<u>3,789</u>	<u>16,852</u>	<u>276,279</u>	<u>95,127</u>
Total expenses	\$ 209,248	\$ 119,199	\$ 288,968	\$ 194,299	\$ 1,462,006	\$ 1,121,753

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Community Residences</u>	<u>Disaster Behavioral Health (DBHRT)</u>	<u>Victims of Crime Act Program</u>	<u>ACT Team</u>	<u>Other Mental Health Programs</u>	<u>Total Mental Health Programs</u>	<u>2013 Total</u>
EXPENSES							
Salaries and wages	\$ 662,341	\$ 48,110	\$ 429,904	\$ 491,094	\$ 33,710	\$ 6,341,322	\$ 6,887,244
Employee benefits	137,712	9,159	98,373	103,183	8,133	1,298,714	1,279,435
Payroll taxes	49,582	3,723	28,520	35,529	8,506	468,116	530,375
Client wages	-	-	-	165	68,235	169,401	178,917
Professional fees	3,611	860	12,176	22,381	548	171,021	190,643
Staff development and training	32	322	2,438	347	4	35,572	23,959
Occupancy costs	44,372	4,401	31,387	68,747	27,004	519,437	565,772
Consumable supplies	22,097	962	4,880	12,023	36,599	203,786	211,176
Equipment expenses	3,729	345	3,637	3,821	13,587	72,323	92,293
Communications	7,678	1,767	9,910	8,846	5,729	156,058	187,817
Travel and transportation	15,717	3,146	10,975	41,512	1,549	300,752	345,347
Assistance to individuals	4,451	-	-	-	74	14,576	14,226
Insurance	1,710	424	3,911	4,176	319	48,182	60,658
Membership dues	578	143	3,373	1,449	932	45,236	36,541
Other expenses	13,044	-	3,616	52,005	14	587,034	685,713
Total expenses	\$ 966,654	\$ 73,362	\$ 643,100	\$ 845,278	\$ 204,943	\$ 10,431,530	\$ 11,290,116

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Service Coordination</u>	<u>School District Contracts</u>	<u>Day Programs</u>	<u>Early Supports & Services</u>	<u>Residential Only</u>
EXPENSES					
Salaries and wages	\$ 638,850	\$ 110,894	\$ 2,856,979	\$ 268,397	\$ -
Employee benefits	150,507	27,312	681,371	64,545	-
Payroll taxes	46,635	9,501	234,338	20,546	-
Client wages	-	3,633	165,062	-	-
Professional fees	60,098	870	56,518	128,095	218,610
Staff development and training	198	7	4,931	2,553	-
Occupancy costs	48,607	15,460	230,643	7,682	-
Consumable supplies	9,896	2,903	72,479	8,707	-
Equipment expenses	3,385	620	20,137	843	-
Communications	7,359	2,977	48,937	15,365	-
Travel and transportation	19,582	14,419	509,099	78,808	-
Assistance to individuals	64	313	30,605	69	-
Insurance	5,329	1,074	24,158	2,334	-
Membership dues	1,277	1,122	13,819	766	-
Other expenses	<u>594</u>	<u>-</u>	<u>27,996</u>	<u>48,477</u>	<u>-</u>
Total expenses	<u>\$ 992,381</u>	<u>\$ 191,105</u>	<u>\$ 4,977,072</u>	<u>\$ 647,187</u>	<u>\$ 218,610</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Independent Living Services</u>	<u>Family Residence</u>	<u>Combined Day/ Residential Vendor</u>	<u>Individual Supported Living</u>	<u>Children's Housing</u>
EXPENSES					
Salaries and wages	\$ 288,100	\$ 1,547,791	\$ -	\$ 192,705	\$ -
Employee benefits	59,248	376,785	-	52,007	16
Payroll taxes	22,086	116,335	-	14,593	9
Client wages	-	12,497	-	1,614	-
Professional fees	24,409	4,557,804	2,196,560	1,102	32,641
Staff development and training	951	7,847	-	-	-
Occupancy costs	18,373	164,627	-	42,425	-
Consumable supplies	3,886	138,710	-	7,825	1
Equipment expenses	1,249	7,678	-	614	5
Communications	3,857	41,199	-	1,944	-
Travel and transportation	14,779	69,985	-	6,689	-
Assistance to individuals	3,433	6,343	-	166	-
Insurance	2,148	12,529	-	1,498	-
Membership dues	567	5,776	-	345	-
Other expenses	6,712	29,163	-	5	-
Total expenses	\$ 449,798	\$ 7,095,069	\$ 2,196,560	\$ 323,532	\$ 32,672

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Consolidated Services</u>	<u>Combined Day/ Residential Services</u>	<u>Acquired Brain Disorder</u>	<u>Other Developmental Services Programs</u>	<u>Total Developmental Services Programs</u>	<u>2013 Total</u>
EXPENSES						
Salaries and wages	\$ 411,071	\$ 22,697	\$ 20,987	\$ 433,683	\$ 6,792,154	\$ 6,772,426
Employee benefits	84,593	5,119	6,078	46,619	1,554,200	1,426,671
Payroll taxes	34,550	1,636	1,612	34,834	536,675	563,765
Client wages	-	-	-	15,154	197,960	190,124
Professional fees	800,726	408,727	302,479	442,295	9,230,934	8,886,348
Staff development and training	-	-	165	5,623	22,275	13,079
Occupancy costs	1,824	675	2,440	27,672	560,428	596,819
Consumable supplies	6,943	3,293	320	22,713	277,676	287,096
Equipment expenses	1,048	68	88	2,230	37,965	64,035
Communications	4,028	181	210	3,581	129,638	145,533
Travel and transportation	57,952	-	4,613	27,549	803,475	776,647
Assistance to individuals	18,743	400	-	11,192	71,328	88,001
Insurance	3,248	186	225	3,659	56,388	62,074
Membership dues	2,472	43	51	988	27,226	12,750
Other expenses	-	-	-	1,371	114,318	115,881
Total expenses	\$ 1,427,198	\$ 443,025	\$ 339,268	\$ 1,079,163	\$ 20,412,640	\$ 20,001,249

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Northern Human Services, Inc. (the Organization), is a New Hampshire nonprofit corporation, and was created to develop and provide a comprehensive program of mental health, developmental disabilities, and rehabilitative care to the residents of Northern New Hampshire.

Basis of Accounting

The financial statements of Northern Human Services, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor-imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Absent explicit donor stipulations about how long long-lived assets must be maintained or the manner of their disposition, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reports expirations of continuing donor restrictions regarding use or disposition of long-lived assets over the assets' expected useful lives.

Permanently Restricted: Net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

As of June 30, 2014 and 2013, the Organization had unrestricted, temporarily restricted and permanently restricted net assets.

Accounting 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

Cash Equivalents

The Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to activities and a credit to a valuation allowance based on historical account write-off patterns by the payor, adjusted as necessary to reflect current conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Organization has no policy for charging interest on overdue accounts nor are its accounts receivable pledged as collateral.

It is the policy of the Organization to provide services to all eligible residents of northern New Hampshire without regard to ability to pay. As a result of this policy, all charity care write-offs are recorded as reductions of revenue in the period in which services are provided. The accounts receivable allowance includes the estimated amount of charity care and contractual allowances included in the accounts receivable balances. The computation of the contractual allowance is based on historical ratios of fees charged to amounts collected.

Property and Depreciation

Property and equipment are recorded at cost or, if contributed, at estimated fair value at the date of contribution. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Vehicles	5 – 10 years
Equipment	3 – 10 years

Costs for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Investments

Investments consist of mutual funds and interest bearing investments and are stated at fair value on the statements of financial position based on quoted market prices. The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility, which may substantially impact the fair value of such investments at any given time.

Split Interest Agreement

The Organization's split-interest agreement included a charitable gift annuity. The underlying assets of the agreement were invested in cash, money market funds, and mutual funds. Charitable gift annuities generally pay a fixed, predetermined amount over a specific period of time to the donor or a third party, after which the principal is made available to the Organization. A liability is established for the present value of the estimated future payments to the beneficiaries, with the difference between the liability and the fair value of the proceeds received by the Organization recorded as a contribution. During the year ended June 30, 2013, the terms of the

Organization's sole charitable gift annuity agreement were satisfied. Consequently, the remainder of the temporary restriction on the assets was relieved, and the Organization reclassified the assets as investments.

Accrued Earned Time

The Organization has accrued a liability for future compensated absences that its employees have earned and which is vested with the employees.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are provided or costs are incurred.

Program Service Fee Revenue

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include reimbursed costs, discounted charges, and per diem payments. Program service fee revenue is reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with the third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Advertising

The Organization expenses advertising costs as incurred.

Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting activities benefited.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation.

Management has evaluated the Organization's tax positions and concluded that the Organization has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2010.

Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing

financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 3, 2014, the date the June 30, 2014 financial statements were available for issuance.

2. ASSETS, LIMITED USE

As of June 30, 2014 and 2013, assets, limited use consisted of the following:

	<u>2014</u>	<u>2013</u>
Donor restricted cash	\$ 253,705	\$ 254,655
Client funds held in trust	183,422	185,931
Employee benefits	<u>34,652</u>	<u>31,089</u>
Total assets, limited use	<u>\$ 471,779</u>	<u>\$ 471,675</u>

3. PROPERTY AND DEPRECIATION

As of June 30, 2014 and 2013, property and equipment consisted of the following:

	<u>2014</u>	<u>2013</u>
Vehicles	\$ 489,702	\$ 585,719
Equipment	<u>2,744,980</u>	<u>2,744,980</u>
Total property and equipment	3,234,682	3,330,699
Less accumulated depreciation	<u>3,033,471</u>	<u>3,269,225</u>
Property and equipment, net	<u>\$ 201,211</u>	<u>\$ 61,474</u>

Depreciation expense was \$14,041 and \$122,757 for the years ended June 30, 2014 and 2013, respectively.

4. INVESTMENTS

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of June 30, 2014 and 2013:

	<u>2014</u>		<u>2013</u>	
	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>
Investments				
Domestic equity funds	\$ 665,979	\$ 612,068	\$ 17,931	\$ 14,484
International equity funds	330,138	309,600	3,088	3,818
Fixed income funds	495,610	482,758	9,366	9,008
Other mutual funds	44,644	43,058	3,665	2,831
Money market funds	<u>12,227</u>	<u>12,227</u>	<u>1,215</u>	<u>1,215</u>
Total	<u>\$ 1,548,598</u>	<u>\$ 1,459,711</u>	<u>\$ 35,265</u>	<u>\$ 31,356</u>

Investments in common stock and U.S. government securities are valued at the closing price reported in the active market in which the securities are traded. Management considers all investments to be long term in nature.

Investment income is comprised of the following at June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Interest and dividends	\$ 18,386	\$ -
Unrealized gain on investments	83,806	-
Realized gain on investments	<u>41,406</u>	<u>-</u>
Net income from investments	<u>\$ 143,598</u>	<u>\$ -</u>

Investment management fees for the year ended June 30, 2014 were \$5,081. There were no investments fees for the year ended June 30, 2013.

5. FAIR VALUE MEASUREMENTS

FASB ASC Topic No. 820-10 provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with *FASB ASC 820-10*, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, *ASC Topic 820* establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under *ASC Topic 820* are described as follows:

Level 1 - Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The Organization's financial instruments consist of cash, short-term receivables and payables, and refundable advances. The carrying value for all such instruments, considering the terms, approximates fair value at June 30, 2014 and 2013.

The table below segregates all financial assets and liabilities as of June 30, 2014 and 2013 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	<u>2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Domestic equity funds	\$ 665,979	\$ -	\$ -	\$ 665,979
International equity funds	330,138	-	-	330,138
Fixed income funds	495,610	-	-	495,610
Other funds	44,644	-	-	44,644
Money Market Funds	<u>12,227</u>	<u>-</u>	<u>-</u>	<u>12,227</u>
 Total investments at fair value	 <u>\$ 1,548,598</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,548,598</u>

	<u>2013</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Domestic equity funds	\$ 17,931	\$ -	\$ -	\$ 17,931
International equity funds	3,088	-	-	3,088
Fixed income funds	9,366	-	-	9,366
Other funds	3,665	-	-	3,665
Money Market Funds	<u>1,215</u>	<u>-</u>	<u>-</u>	<u>1,215</u>
 Total investments at fair value	 <u>\$ 35,265</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 35,265</u>

6. RETIREMENT PLAN

The Organization maintains a retirement plan for all eligible employees. Under the plan employees can make voluntary contributions to the plan of up to approximately 15% of gross wages. All employees who work one thousand hours per year are eligible to participate after one year of employment. During the year ended June 30, 2014, the Organization implemented a 2% discretionary contribution allocated each pay period until further notice. Contributions totaled \$92,346 and \$0 for the years ended June 30, 2014 and 2013, respectively.

7. CAPITAL LEASE OBLIGATIONS

During the year ended June 30, 2010, the Organization entered into a capital lease for technology equipment. Monthly payments for principal and interest were \$2,322. The thirty-six month lease agreement concluded during the year ended June 30, 2013.

For the years ended June 30, 2014 and 2013 the Organization had gross capitalized costs of capital leases of \$83,675 and accumulated depreciation of \$83,675.

8. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances that, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the years ended June 30, 2014 and 2013. In addition to FDIC coverage, certain deposits of the Organization are insured or collateralized through other means. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At June 30, 2014 and 2013 cash balances, in excess of FDIC coverage, aggregated \$5,209,293 and \$6,574,241, respectively.

9. CONCENTRATION OF RISK

For the years ended June 30, 2014 and 2013, approximately 87% and 86% of the total revenue was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

In order for the Organization to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, and Bureau of Developmental Services as the provider of services for individuals with mental health illnesses and developmentally disabled individuals, for that region. The Organization is scheduled for re-designation during May 2015, for both mental health and developmental services.

Medicaid receivables comprise approximately 85% and 90% of the total accounts receivable balances at June 30, 2014 and 2013, respectively.

10. LEASE COMMITMENTS

The Organization has entered into various operating lease agreements to rent certain facilities and office equipment. The terms of these leases range from one to ten years. Rent expense under these agreements aggregated \$889,364 and \$915,078 for the years ended June 30, 2014 and 2013, respectively.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2015	\$ 818,908
2016	<u>2,427</u>
Total	<u>\$ 821,335</u>

See the Related Party Transactions footnote for information regarding lease agreements with a related party.

11. RELATED PARTY TRANSACTIONS

The Organization is related to the nonprofit corporation Shallow River Properties, Inc. (Shallow River) as a result of common board membership. Shallow River was incorporated under the laws of the State of New Hampshire on September 13, 1988, for the purpose of owning, maintaining, managing, selling, and leasing real property associated with the provision of residential, treatment, and administrative services for the clients and staff of the Organization.

The Organization has transactions with Shallow River during its normal course of operations. The significant related party transactions are as follows:

Due from Affiliate

At June 30, 2014 and 2013, the Organization had a receivable due from Shallow River in the amount of \$291,041 and \$143,792, respectively.

Rental Expense

The Organization leases various properties, including office space, and properties occupied by the Organization's clients from Shallow River under the terms of tenant at will agreements. The Organization has the perpetual right to extend the leases. Total rental expense paid under the terms of the leases was \$728,525 and \$742,743 for the years ended June 30, 2014 and 2013, respectively.

Management Fee

The Organization charges Shallow River for administrative expenses incurred on its behalf. Management fee revenue aggregated \$74,649 for each of the years ended June 30, 2014 and 2013.

Donation

Although not required by an agreement between Shallow River and the Organization, Shallow River must donate the excess of its revenues over expenses to the Organization in order to maintain its 501(c)(2) tax-exempt status with the Internal Revenue Service. Donation revenue, from Shallow River to the Organization, aggregated \$327,277 and \$221,310 for the years ended June 30, 2014 and 2013, respectively.

12. MEDICAID CONTINGENCY PAYMENTS

During the year ended June 30, 2013 the State of New Hampshire implemented a change in the entity that processes Medicaid payments for the State, including such payments for mental health and developmental service providers (the area agencies). As this transition took place, it became apparent to the State of New Hampshire that the new service provider was initially unable to consistently reimburse the area agencies, including the Organization, due to various issues.

In order to aid the cash flows for the area agencies, the State of New Hampshire began disbursing cash, in advance of approved service billings. After the initial disbursements to the area agencies the State of New Hampshire began reducing payments for billed services to the area agencies by a portion of the advance payments. At June 30, 2014 and 2013, the Organization had a Medicaid contingency balance of \$0 and \$1,596,143, respectively.

13. COMMITMENTS AND CONTINGENCIES

The Organization receives funding under various state and federal grants. Under the terms of these grants, the Organization is required to use the money within the grant period for purposes specified in the grant proposal. If expenditures for the grant were found not to have been made in compliance with the proposal, the Organization may be required to repay the grantor's funds.

Excess funds generated from state and/or Medicaid funded programs may be expended, at the Organization's discretion, to increase or improve service delivery within the program. The excess funds may not be used to increase spending for personnel, professional fees, fringe benefits, or capital expenditures without prior written approval of the State of New Hampshire.

The Organization has contracts with certain third-party payors requiring specific performance to supervise and document certain events relating to client treatment. These agencies periodically audit the performance of the Organization in fulfilling these requirements. If the payments were found not to have been made in compliance with the contracts, the Organization may be required to repay the funds received under the contract.

The Organization insures its medical malpractice risks on a claims-made basis under a policy, which covers all of its employees. The Organization intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Contracts with the State of New Hampshire and various federal agencies require that the properties supported be used for certain programs and/or to serve specified client populations. If Shallow River or the Organization should stop using the property to provide services acceptable to these grantors, the grantors would be entitled to all or part of the proceeds from the disposition of the property. These stipulations affect substantially all of the properties owned by Shallow River. The affected amount and the disposition are determined by negotiation with the granting authority at the time the property is sold.

14. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2014</u>	<u>2013</u>
Dream Team Fund	\$ 1,132	\$ 1,179
Income earned on the Memorial Fund	<u>156</u>	<u>1,059</u>
Total temporarily restricted net assets	<u>\$ 1,288</u>	<u>\$ 2,238</u>

15. ENDOWMENT FUND AND PERMANENTLY RESTRICTED NET ASSETS

As a result of the June 30, 2006 merger of The Center of Hope For Developmental Disabilities, Inc. (Center of Hope), with and into the Organization, the Organization assumed responsibility for certain assets of Center of Hope that are subject to charitable restrictions and designated for particular purposes, namely the Memorial Fund (the Fund).

The Fund was created by the Center of Hope in 1989 for the purpose of seeking out and funding experiences that make life more interesting and full for people with disabilities. In or around 1992, additional funds were added to the Fund as a result of a testamentary bequest of Dorothy M. Walters, for the purpose of providing "maintenance funds" for programs for individuals with mental and developmental disabilities. The Center of Hope interpreted the terms of this bequest as consistent with the purpose of the Fund, and the bequest meets the definition of an endowment fund.

The Not-for-Profit Entities Topic of the *FASB ASC (ASC 958-205 and subsections)* intends to improve the quality of consistency of financial reporting of endowments held by not-for-profit organizations. This Topic provides guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of the Uniform Prudent Management Institutional Funds Act (UPMIFA). New Hampshire has adopted UPMIFA. The Topic also requires additional financial statement disclosures on endowments and related net assets.

The Organization has followed an investment and spending policy to ensure a total return (income plus capital change) necessary to preserve the principal of the fund and at the same time, provide a dependable source of support for life-enhancing activities of eligible individuals. The Organization will only distribute income generated by the fund, leaving the original corpus intact.

In recognition of the prudence required of fiduciaries, the Organization only invests the fund in certificates of deposits, which ensures that a majority of the balance of the Fund is covered by the FDIC. The Organization has taken a risk adverse approach to managing the Fund in order to mitigate financial market risk such as interest rate, credit and overall market volatility, which could substantially impact the fair value of the Fund at any given time.

As of June 30, 2014 and 2013, the endowment was entirely composed of permanently restricted net assets.

Changes in endowment net assets (at fair value) as of June 30, 2014 were as follows:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Certificates of deposit beginning of year	\$ -	\$ 252,417	\$ 252,417
Interest income	341	-	341
Withdrawals	<u>(341)</u>	<u>-</u>	<u>(341)</u>
Certificates of deposit end of year	<u>\$ -</u>	<u>\$ 252,417</u>	<u>\$ 252,417</u>

Changes in endowment net assets (at fair value) as of June 30, 2013 were as follows:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Certificates of deposit beginning of year	\$ -	\$ 252,417	\$ 252,417
Interest income	1,006	-	1,006
Withdrawals	<u>(1,006)</u>	<u>-</u>	<u>(1,006)</u>
Certificates of deposit end of year	<u>\$ -</u>	<u>\$ 252,417</u>	<u>\$ 252,417</u>

16. RECLASSIFICATIONS

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. These classifications had no effect on the previously reported change in net assets, or net assets amounts.

NORTHERN HUMAN SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Mental</u>	<u>Developmental</u>	<u>Subtotals</u>	<u>General</u>	<u>2014</u>	<u>2013</u>
	<u>Health</u>	<u>Services</u>		<u>Management</u>	<u>Total</u>	<u>Total</u>
REVENUES						
Program service fees:						
Client fees	\$ 649,585	\$ 1,138	\$ 650,723	\$ -	\$ 650,723	\$ 695,529
Residential fees	29,530	120,107	149,637	-	149,637	183,238
Blue Cross	154,948	35,652	190,600	-	190,600	90,470
Medicaid	9,938,252	21,949,087	31,887,339	-	31,887,339	28,877,418
Medicare	666,284	-	666,284	-	666,284	579,473
Other insurance	217,692	65,162	282,854	-	282,854	318,276
Local educational authorities	-	169,596	169,596	-	169,596	178,928
Vocational rehabilitation	7,070	9,244	16,314	-	16,314	21,995
Other program fees	71	38,532	38,603	-	38,603	41,386
Production/service income	236,293	245,222	481,515	2,047	483,562	455,301
Public support:						
Local/county government	69,197	1,000	70,197	-	70,197	94,207
Donations/contributions	3,880	25,035	28,915	329,298	358,213	245,406
Other public support	290,687	-	290,687	-	290,687	285,499
Division of Alcohol and Drug Abuse Prevention/Recovery	149,460	-	149,460	-	149,460	199,525
Bureau of Developmental Services and Bureau of Behavioral Health	321,272	104,596	425,868	-	425,868	570,183
DCYF	-	-	-	-	-	5,833
Other federal and state funding:						
HUD	132,449	-	132,449	-	132,449	133,059
Other	41,750	14,603	56,353	9,734	66,087	-
Private foundation grants	214,086	-	214,086	6,111	220,197	232,616
Other revenues	<u>63,142</u>	<u>147,971</u>	<u>211,113</u>	<u>180,581</u>	<u>391,694</u>	<u>389,106</u>
Total public support and other revenues	<u>13,185,648</u>	<u>22,926,945</u>	<u>36,112,593</u>	<u>527,771</u>	<u>36,640,364</u>	<u>33,597,448</u>
EXPENSES						
Salaries and wages	\$ 6,341,322	\$ 6,792,154	\$ 13,133,476	\$ 2,831,949	\$ 15,965,425	\$ 15,006,231
Employee benefits	1,298,714	1,554,200	2,852,914	577,666	3,430,580	2,915,249
Payroll taxes	468,116	536,675	1,004,791	210,766	1,215,557	1,178,694
Client wages	169,401	197,960	367,361	-	367,361	369,041
Professional fees	171,021	9,230,934	9,401,955	251,585	9,653,540	9,343,132
Staff development and training	35,572	22,275	57,847	9,440	67,287	42,158
Occupancy costs	519,437	560,428	1,079,865	166,809	1,246,674	1,248,019
Consumable supplies	203,786	277,676	481,462	69,238	550,700	532,706
Equipment expenses	72,323	37,965	110,288	18,814	129,102	218,866
Communications	156,058	129,638	285,696	84,662	370,358	384,822
Travel and transportation	300,752	803,475	1,104,227	44,885	1,149,112	1,130,149
Assistance to individuals	14,576	71,328	85,904	2,593	88,497	104,917
Insurance	48,182	56,388	104,570	24,314	128,884	132,952
Membership dues	45,236	27,226	72,462	49,223	121,685	90,412
Other expenses	<u>587,034</u>	<u>114,318</u>	<u>701,352</u>	<u>12,759</u>	<u>714,111</u>	<u>816,133</u>
Total expenses	<u>10,431,530</u>	<u>20,412,640</u>	<u>30,844,170</u>	<u>4,354,703</u>	<u>35,198,873</u>	<u>33,513,481</u>
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES						
	<u>\$ 2,754,118</u>	<u>\$ 2,514,305</u>	<u>\$ 5,268,423</u>	<u>\$ (3,826,932)</u>	<u>\$ 1,441,491</u>	<u>\$ 83,967</u>

NORTHERN HUMAN SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Non-Specialized Outpatient	State Eligible Adult Outpatient	Outpatient Contracts	Children and Adolescents	Emergency Services Non-BBH	Other Non-BBH
REVENUES						
Program service fees:						
Client fees	\$ 58,696	\$ 47,288	\$ -	\$ 23,221	\$ 33,357	\$ 370
Residential fees	-	-	-	-	-	-
Blue Cross	60,135	41,738	-	28,567	8,488	703
Medicaid	60,728	372,011	642,350	2,482,087	63,195	166,718
Medicare	182,247	381,386	-	-	9,655	134
Other insurance	57,024	35,646	-	38,848	10,880	683
Local educational authorities	-	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-	-
Other program fees	71	-	-	-	-	-
Production/service income	581	-	-	-	-	-
Public support:						
Local/county government	69,197	-	-	-	-	-
Donations/contributions	3,880	-	-	-	-	-
Other public support	44,637	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	112,415	-
DCYF	-	-	-	-	-	-
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	4,485	2,835	872	8,564	1,486	2,215
Private foundation grants	12,043	-	-	623	-	201,245
Other revenues	59,748	-	-	-	-	-
Total public support and other revenues	613,472	880,904	643,222	2,581,910	239,486	372,068
EXPENSES						
Salaries and wages	\$ 552,811	\$ 732,415	\$ 186,273	\$ 713,714	\$ 479,728	\$ 172,308
Employee benefits	128,238	151,499	37,388	147,784	63,976	35,512
Payroll taxes	38,284	47,827	13,091	51,701	33,792	11,980
Client wages	-	-	-	-	-	-
Professional fees	16,880	14,652	3,714	32,029	7,175	17,981
Staff development and training	3,927	5,429	796	1,755	435	15,010
Occupancy costs	52,467	47,042	18,715	51,832	22,706	11,200
Consumable supplies	16,843	9,528	2,046	13,925	3,654	2,621
Equipment expenses	8,182	6,384	1,336	6,611	2,576	1,269
Communications	22,336	15,484	4,136	17,096	15,706	4,086
Travel and transportation	5,404	11,602	2,702	49,409	1,905	8,294
Assistance to individuals	2,507	-	13	911	-	4
Insurance	5,172	6,218	1,472	6,006	2,599	1,419
Membership dues	6,792	10,078	692	3,569	922	833
Other expenses	27,495	22,680	306	14,152	33,204	475
Total expenses	887,338	1,080,838	272,680	1,110,494	668,378	282,992
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES	\$ (273,866)	\$ (199,934)	\$ 370,542	\$ 1,471,416	\$ (428,892)	\$ 89,076

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Bureau of Drug & Alcohol Services	Health Mentors	Vocational Services	Restorative Partial Hospital	Case Management	Supportive Living
REVENUES						
Program service fees:						
Client fees	\$ 30,916	\$ -	\$ 1,510	\$ 16,834	\$ 276,643	\$ 95,314
Residential fees	-	-	-	-	-	-
Blue Cross	11,914	-	-	-	-	-
Medicaid	72,877	-	151,377	246,255	1,535,779	2,263,792
Medicare	60,372	-	-	-	-	-
Other insurance	62,951	-	-	-	-	563
Local educational authorities	-	-	-	-	-	-
Vocational rehabilitation	-	-	7,070	-	-	-
Other program fees	-	-	-	-	-	-
Production/service income	-	-	80,372	-	-	-
Public support:						
Local/county government	-	-	-	-	-	-
Donations/contributions	-	-	-	-	-	-
Other public support	-	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	149,460	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health DCYF	-	111,447	1,500	-	-	-
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	1,297	49	575	528	7,567	5,101
Private foundation grants	-	-	-	-	175	-
Other revenues	34	230	79	84	71	-
Total public support and other revenues	389,821	111,726	242,483	263,701	1,820,235	2,364,770
EXPENSES						
Salaries and wages	\$ 121,113	\$ 73,154	\$ 105,613	\$ 93,815	\$ 773,354	\$ 671,865
Employee benefits	28,418	13,278	18,144	21,731	164,051	132,135
Payroll taxes	8,653	5,671	17,173	7,101	56,838	50,145
Client wages	-	-	101,001	-	-	-
Professional fees	2,743	1,000	1,621	1,518	21,222	10,910
Staff development and training	1,525	13	1,404	206	1,226	703
Occupancy costs	9,880	4,377	10,514	15,885	54,077	45,031
Consumable supplies	1,758	1,638	5,764	30,978	20,625	17,845
Equipment expenses	1,029	589	3,640	1,833	7,670	6,085
Communications	2,458	1,592	2,343	1,532	23,507	11,852
Travel and transportation	1,798	6,921	16,975	1,124	54,300	67,419
Assistance to individuals	-	-	24	641	242	5,709
Insurance	1,153	543	716	809	6,378	5,157
Membership dues	924	10,423	247	274	2,237	1,770
Other expenses	27,996	-	3,789	16,852	276,279	95,127
Total expenses	209,248	119,199	288,968	194,299	1,462,006	1,121,753
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES						
	\$ 180,573	\$ (7,473)	\$ (46,485)	\$ 69,402	\$ 358,229	\$ 1,243,017

NORTHERN HUMAN SERVICES, INC.

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTHFOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Community Residences	Disaster Behavioral Health (DBHRT)	Victims of Crime Act Program	ACT Team	Other Mental Health Programs	Total Mental Health Programs	2013 Total
REVENUES							
Program service fees:							
Client fees	\$ 10,355	\$ -	\$ 4,889	\$ 50,192	\$ -	\$ 649,585	\$ 695,529
Residential fees	18,124	-	-	11,406	-	29,530	40,735
Blue Cross	-	-	2,779	824	-	154,948	34,886
Medicaid	1,039,165	-	64,024	777,894	-	9,938,252	9,029,338
Medicare	-	-	17,198	15,292	-	686,284	579,473
Other insurance	-	-	9,838	1,259	-	217,692	276,785
Local educational authorities	-	-	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-	7,070	7,278
Other program fees	-	-	-	-	-	71	2,700
Production/service income	-	-	-	-	155,340	236,293	201,267
Public support:							
Local/county government	-	-	-	-	-	69,197	92,807
Donations/contributions	-	-	-	-	-	3,880	8,532
Other public support	-	68,650	177,400	-	-	290,687	285,499
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	149,460	199,525
Bureau of Developmental Services and Bureau of Behavioral Health DCYF	-	-	-	95,910	-	321,272	288,514
Other federal and state funding:							5,833
HUD	132,449	-	-	-	-	132,449	133,059
Other	1,642	38	3,579	879	28	41,750	-
Private foundation grants	-	-	-	-	-	214,086	208,727
Other revenues	2,715	-	180	-	1	63,142	63,100
Total public support and other revenues	1,204,450	68,688	279,887	953,456	155,369	13,185,848	12,153,587
EXPENSES							
Salaries and wages	\$ 662,341	\$ 48,110	\$ 429,904	\$ 491,094	\$ 33,710	\$ 6,341,322	\$ 6,887,244
Employee benefits	137,712	9,159	98,373	103,183	8,133	1,298,714	1,279,435
Payroll taxes	49,582	3,723	28,520	35,529	8,506	468,116	530,375
Client wages	-	-	-	165	68,235	169,401	178,917
Professional fees	3,611	860	12,178	22,381	548	171,021	190,643
Staff development and training	32	322	2,438	347	4	35,572	23,959
Occupancy costs	44,372	4,401	31,387	68,747	27,004	519,437	565,772
Consumable supplies	22,097	982	4,880	12,023	36,599	203,786	211,176
Equipment expenses	3,729	345	3,637	3,621	13,587	72,323	92,293
Communications	7,878	1,767	9,910	8,846	5,729	156,058	187,817
Travel and transportation	15,717	3,146	10,975	41,512	1,549	300,752	345,347
Assistance to individuals	4,451	-	-	-	74	14,576	14,226
Insurance	1,710	424	3,911	4,176	319	48,182	60,658
Membership dues	578	143	3,373	1,449	932	45,236	38,541
Other expenses	13,044	-	3,616	52,005	14	587,034	685,713
Total expenses	986,654	73,362	643,100	845,278	204,943	10,431,530	11,290,116
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES							
	\$ 237,796	\$ (4,674)	\$ (363,213)	\$ 108,178	\$ (49,574)	\$ 2,754,118	\$ 863,471

NORTHERN HUMAN SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Service Coordination</u>	<u>School District Contracts</u>	<u>Day Programs</u>	<u>Early Supports & Services</u>	<u>Residential Only</u>
REVENUES					
Program service fees:					
Client fees	\$ -	\$ -	\$ 371	\$ -	\$ -
Residential fees	-	-	-	-	-
Blue Cross	-	-	-	35,852	-
Medicaid	1,034,932	-	4,744,779	858,793	251,617
Medicare	-	-	-	-	-
Other insurance	-	-	-	65,162	-
Local educational authorities	-	169,596	-	-	-
Vocational rehabilitation	-	-	9,244	-	-
Other program fees	-	-	31,807	6,725	-
Production/service income	-	-	184,381	-	-
Public support:					
Local/county government	-	-	1,000	-	-
Donations/contributions	-	681	24,354	-	-
Other public support	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery					
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	4,934	-
DCYF	-	-	-	-	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	910	-	228	12,100	-
Private foundation grants	-	-	-	-	-
Other revenues	<u>60</u>	<u>-</u>	<u>44,502</u>	<u>167</u>	<u>-</u>
Total public support and other revenues	<u>1,035,902</u>	<u>170,277</u>	<u>5,040,666</u>	<u>983,533</u>	<u>251,617</u>
EXPENSES					
Salaries and wages	\$ 638,850	\$ 110,894	\$ 2,856,979	\$ 268,397	\$ -
Employee benefits	150,507	27,312	681,371	64,545	-
Payroll taxes	46,635	9,501	234,338	20,546	-
Client wages	-	3,633	165,062	-	-
Professional fees	60,098	870	56,518	128,095	218,610
Staff development and training	198	7	4,931	2,553	-
Occupancy costs	48,607	15,460	230,643	7,682	-
Consumable supplies	9,896	2,903	72,479	8,707	-
Equipment expenses	3,385	620	20,137	843	-
Communications	7,359	2,977	48,937	15,365	-
Travel and transportation	19,582	14,419	509,099	78,808	-
Assistance to individuals	64	313	30,805	69	-
Insurance	5,329	1,074	24,158	2,334	-
Membership dues	1,277	1,122	13,819	766	-
Other expenses	<u>594</u>	<u>-</u>	<u>27,996</u>	<u>48,477</u>	<u>-</u>
Total expenses	<u>992,381</u>	<u>191,105</u>	<u>4,977,072</u>	<u>647,187</u>	<u>218,610</u>
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES					
	<u>\$ 43,521</u>	<u>\$ (20,828)</u>	<u>\$ 63,594</u>	<u>\$ 336,346</u>	<u>\$ 33,007</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES**FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Independent Living Services	Family Residence	Combined Day/ Residential Vendor	Individual Supported Living	Children's Housing
REVENUES					
Program service fees:					
Client fees	\$ -	\$ 767	\$ -	\$ -	\$ -
Residential fees	-	87,210	-	25,186	-
Blue Cross	-	-	-	-	-
Medicaid	571,709	8,322,132	2,444,154	299,791	35,204
Medicare	-	-	-	-	-
Other insurance	-	-	-	-	-
Local educational authorities	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-
Other program fees	-	-	-	-	-
Production/service income	-	18,420	-	2,363	-
Public support:					
Local/county government	-	-	-	-	-
Donations/contributions	-	-	-	-	-
Other public support	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery					
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	-
DCYF	-	-	-	-	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	455	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	20	11,865	-	2,759	-
Total public support and other revenues	571,729	8,440,849	2,444,154	330,099	35,204
EXPENSES					
Salaries and wages	\$ 288,100	\$ 1,547,791	\$ -	\$ 192,705	\$ -
Employee benefits	59,248	376,785	-	52,007	16
Payroll taxes	22,086	116,335	-	14,593	9
Client wages	-	12,497	-	1,614	-
Professional fees	24,409	4,557,804	2,196,560	1,102	32,641
Staff development and training	951	7,847	-	-	-
Occupancy costs	18,373	164,627	-	42,425	-
Consumable supplies	3,886	138,710	-	7,825	1
Equipment expenses	1,249	7,678	-	614	5
Communications	3,857	41,199	-	1,944	-
Travel and transportation	14,779	69,985	-	6,689	-
Assistance to individuals	3,433	6,343	-	166	-
Insurance	2,148	12,529	-	1,498	-
Membership dues	567	5,776	-	346	-
Other expenses	6,712	29,163	-	5	-
Total expenses	449,798	7,095,069	2,196,560	323,532	32,672
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES					
	\$ 121,931	\$ 1,345,780	\$ 247,594	\$ 6,567	\$ 2,532

NORTHERN HUMAN SERVICES, INC.SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICESFOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	<u>Consolidated</u> <u>Services</u>	<u>Combined Day/</u> <u>Residential</u> <u>Services</u>	<u>Acquired</u> <u>Brain</u> <u>Disorder</u>	<u>Other</u> <u>Developmental</u> <u>Services</u> <u>Programs</u>	<u>Total</u> <u>Developmental</u> <u>Services</u> <u>Programs</u>	<u>2013</u> <u>Total</u>
REVENUES						
Program service fees:						
Client fees	\$ -	\$ -	\$ -	\$ -	\$ 1,138	\$ -
Residential fees	-	-	7,711	-	120,107	142,503
Blue Cross	-	-	-	-	35,652	55,584
Medicaid	1,596,350	502,394	487,520	799,712	21,949,087	19,848,080
Medicare	-	-	-	-	-	-
Other insurance	-	-	-	-	65,162	41,491
Local educational authorities	-	-	-	-	169,596	178,928
Vocational rehabilitation	-	-	-	-	9,244	14,717
Other program fees	-	-	-	-	38,532	38,686
Production/service income	641	-	-	39,417	245,222	254,034
Public support:						
Local/county government	-	-	-	-	1,000	1,400
Donations/contributions	-	-	-	-	25,035	15,625
Other public support	-	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health DCYF	-	-	-	99,662	104,596	281,669
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	-	-	-	910	14,603	-
Private foundation grants	-	-	-	-	-	-
Other revenues	2,666	-	125	85,807	147,971	77,330
Total public support and other revenues	<u>1,599,657</u>	<u>502,394</u>	<u>495,356</u>	<u>1,025,508</u>	<u>22,926,945</u>	<u>20,950,047</u>
EXPENSES						
Salaries and wages	\$ 411,071	\$ 22,697	\$ 20,987	\$ 433,683	\$ 6,792,154	\$ 6,772,426
Employee benefits	84,593	5,119	6,078	46,619	1,554,200	1,426,671
Payroll taxes	34,540	1,636	1,612	34,834	536,675	563,765
Client wages	-	-	-	15,154	197,960	190,124
Professional fees	800,726	408,727	302,479	442,295	9,230,934	8,886,348
Staff development and training	-	-	165	5,623	22,275	13,079
Occupancy costs	1,824	675	2,440	27,672	560,428	596,819
Consumable supplies	6,943	3,293	320	22,713	277,676	287,096
Equipment expenses	1,048	68	88	2,230	37,965	64,035
Communications	4,028	181	210	3,581	129,638	145,533
Travel and transportation	57,952	-	4,613	27,549	803,476	776,647
Assistance to individuals	18,743	400	-	11,192	71,328	88,001
Insurance	3,248	186	225	3,659	56,388	62,074
Membership dues	2,472	43	51	988	27,226	12,750
Other expenses	-	-	-	1,371	114,318	115,881
Total expenses	<u>1,427,198</u>	<u>443,025</u>	<u>339,268</u>	<u>1,079,163</u>	<u>20,412,640</u>	<u>20,001,249</u>
EXCESS (DEFICIENCY) OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES	<u>\$ 172,459</u>	<u>\$ 59,369</u>	<u>\$ 156,088</u>	<u>\$ (53,655)</u>	<u>\$ 2,514,305</u>	<u>\$ 948,798</u>

Board of Directors

September 2014

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Marge McClellan

VICE PRESIDENT

Marti Faulkner

SECRETARY

TREASURER

James Salmon

CEO

Eric Johnson

Bob Fink

Steve Michaud

Jenn Pineo

Amy Mitz

Judy Houghton

Georgia Caron

STAFF

Dale Heon, CFO

Susan Wiggin, Executive Assistant

Suzanne Gaetjens-Olsen
MH Reg Administrator

Jane MacKay, Area Director

Charlie Cotton, Area Director

Liz Charles, DD Reg Administrator

Mark Vincent, DD Director

HONORARY BOARD

MEMBERS

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Natalie Peterson

Felix Weingart, Jr.

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Stephen Michaud

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Marti Faulkner

Maddie Costello

Eric Johnson

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Marge McClellan

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Dale Heon

PROGRAM COMMITTEE

Amy Mitz

Jenn Pineo

Marge McClellan

Judy Houghton

Suzanne Gaetjens-Olsen

Liz Charles

ERIC M. JOHNSON

SENIOR MANAGEMENT EXECUTIVE

Cross-Functional Experience & Cross System Expertise

Highly qualified Executive Manager offering more than 25 years of non-profit management and diverse program leadership experience within human service delivery systems. Results-focused and effectual leader with proven ability to provide stability in business despite unpredictable external forces. Talent for proactively identifying and resolving problems – reversing negative financial results, controlling costs, maximizing productivity, and delivering positive results. Strength and direct experience in:

- | | | |
|------------------------------------|-----------------------|-----------------------------|
| *Contract Development & Monitoring | *Corporate Compliance | *Policy Development |
| *Budget Development | *Quality Assurance | *Grant Writing |
| *Consumer Rights Protection | *Program Development | *Inter-Agency Collaboration |
| *Personnel Management | | |
-

PROFESSIONAL EXPERIENCE

Northern Human Services - Conway, NH 1984 – Present

- **CHIEF OF OPERATIONS** (1997 - Present)
- **ASSOCIATE DIRECTOR OF DEVELOPMENTAL SERVICES** (1996 – 1997)
- **AREA DIRECTOR** (1994 – 1996)
- **REGIONAL COORDINATOR** (1987 - 1995)

Recruited initially as a Case Manager in 1984 to provide service coordination to individuals with long-term mental illness and developmental disabilities. Promoted to Team Leader/Supervisor within first year of employment. Promoted again within two years to assume region-wide responsibilities, including the supervision of Program Managers in regional offices. Appointed Area Director in 1994 for a declining operation that had experienced major staff turnover and financial losses over several years. Successfully stabilized the business and program functions and turned around financial losses. Advanced quickly to role as Associate Director of Developmental Services overseeing a budget of \$8 million. Promoted again in 1997 to Chief of Operations, which included absorbing the roles of two former full-time Associate Directors.

CURRENTLY: Direct all operations of the agency and maintain compliance with three major State contracts totaling more than \$34 million dollars. Provide leadership for a 500-person workforce and hold full responsibility for the day to day management of the agency. Oversee Area Directors, Quality Assurance/Corporate Compliance, Human Resources, specific Developmental Services program functions and client complaint resolution processes. Also have provided coverage for the CEO and other Management Team staff vacancies on an ongoing basis as needed.

Examples of Leadership:

- Led agency's consolidation with the former organization known as The Center of Hope, which entailed hiring 200 employees and the integration of an \$8 million dollar operations budget.
- Successfully managed through the turnover of three previous Chief Financial Officers; oriented and supported each of the new CFO hires in annual budget development as they learned the complexities of the job.
- Provided interim leadership and supported program operations of both New Horizons and the Mental Health Center in Conway while recruiting for new Area Directors on four separate occasions.
- Have maintained strong collaborative relationships with all of the State Bureau's and various funding sources over entire career with the agency.
- Have led multiple agency projects by mentoring and supervising staff who were charged with specific outcomes; this included the Tele-psychiatry Project, the recent Electronic Medical Record initiative, the Columbia House Residential Treatment Program, the Family Support Program, and numerous other program initiatives.
- Have represented the agency at state-level meetings when the CEO has been unavailable. This has included meetings with several DHHS Commissioners, all Bureau Chiefs and the Governor of NH.

Northern NH Council on Alcoholism - Dummer, NH 1983 -1985

- **DRUG AND ALCOHOL COUNSELOR**

NH Office of Alcohol and Drug Abuse & Prevention – Concord, NH 1982 - 1983

- **VISTA VOLUNTEER**
-

EDUCATION

Masters of Human Service Administration (MSHSA)
Springfield College – Springfield, MA

Bachelor of Arts (BA)
University of NH – Durham, NH

KEY ADMINISTRATIVE PERSONNEL - FY2016

NORTHERN HUMAN SERVICES

Postion	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Eric Johnson	0.65	\$ 103,350.00	\$ 38,464.40	37%
Chief Financial Officer	Dale Heon	0.50	\$ 44,945.00	\$ 16,727.46	37%
Medical Director	Eric VanLeuven	1.00	\$ 195,526.00	\$ 72,770.11	37%
Chief Operations Officer	Vacant	0.50	49,385.00	\$ 18,379.92	37%

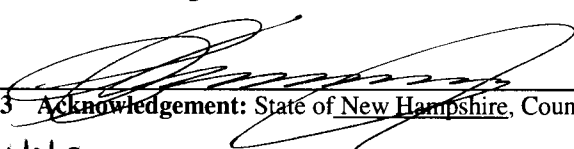
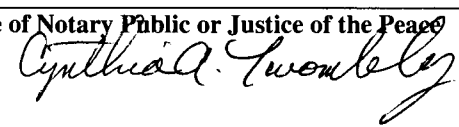
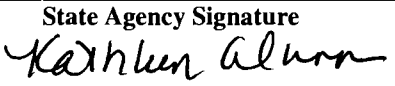
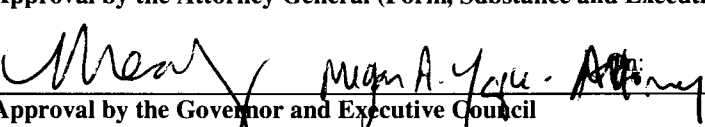
Subject: Mental Health Services

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name West Central Services, Inc. DBA West Central Behavioral Health		1.4 Contractor Address 9 Hanover Street, Suite 2 Lebanon, NH 03766	
1.5 Contractor Phone Number 603-448-0126	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$326,336.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Jason Adams/CFO	
1.13 Acknowledgement: State of New Hampshire, County of Grafton On <u>6/2/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace CYNTHIA A. TWOMBLY Notary Public - New Hampshire My Commission Expires August 14, 2018			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Attorney On: <u>6/2/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (AP RTP).



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. Days of Cash on Hand:

- a. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.
- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period.

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The short-term investments as used above must mature within three (3) months and should not include common stock.

- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
 - D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
 - E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.
- X. REPORTING REQUIREMENTS**
- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
 - B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
 - C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten



(10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);

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Exhibit A - Scope of Work



- c. Software and/or training purchased to improve Phoenix data collection; or
- d. Staff training for collecting new data elements.
- 2. Costs associated with developing other BBH-requested data reporting system.
- 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
 - 1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 - 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 - 1. Gym Membership;
 - 2. In SHAPE (includes gym membership);
 - 3. Weight Watchers; and
 - 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).

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- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.



- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.

- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.

- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.

- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.

- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.

- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D.** The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E.** The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F.** The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G.** The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

Region 2 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.

- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
 - 2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.
- G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

- 1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Div. for Children Youth and Families (DCYF) Consultation	1,770
Emergency Services	43,939
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	56,583
Assertive Community Treatment Team (ACT)	201,244
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$326,336

- 2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
- 3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 2 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
 - 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:

 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:

 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.

 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:

 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
- 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
- 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
- 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5. In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1. The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2. The consideration, if any, to be paid;
 - 22.5.3. The use to which the transferred property is to be put by the transferee;
 - 22.5.4. The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5. Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6. DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7. In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8. In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9. Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10. The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11. The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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



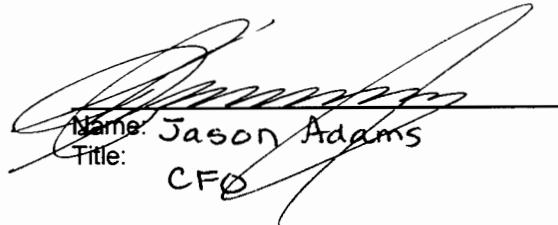
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 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.

Contractor Name: West Central Services, Inc. DBA West Central Behavioral Health

6/2/15
Date


Name: Jason Adams
Title: CEO



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: *West Central Services, Inc DBA
West Central Behavioral Health*

6/2/15
Date


Name: *Jason Adams*
Title: *CFO*



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

The Contractor 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 (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.

Contractor Name: West Central Services, Inc. DBA
West Central Behavioral Health

6/2/15
Date


Name: Jason Adams
Title: CFO



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

The Contractor 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:

Contractor 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

Contractor Initials SA

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

WEST CENTRAL SERVICES, INC. DBA
Contractor Name: West Central Behavioral Health

6/2/15
Date

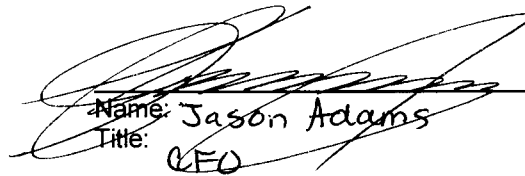

Name: Jason Adams
Title: CEO

Exhibit G

Contractor Initials JA

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 Contractor 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 Contractor 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.

West Central Services, Inc. DBA
Contractor Name: *West Central Behavioral Health*

6/2/15
Date

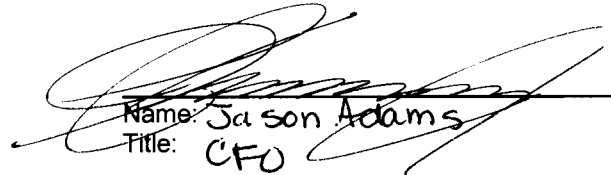

Name: *Jason Adams*
Title: *CFO*



Exhibit I

HEALTH INSURANCE PORTABILITY 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

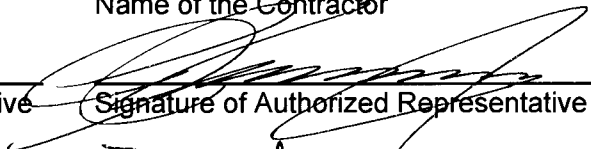
- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security 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.



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.

<u>NH Dept. of Health & Human Services</u> The State	<u>West Central Services, Inc DBA</u> <u>West Central Behavioral Health</u> Name of the Contractor
<u>Kathleen Dunn</u> Signature of Authorized Representative	 Signature of Authorized Representative
<u>Kathleen A Dunn</u> Name of Authorized Representative	<u>Jason Adams</u> Name of Authorized Representative
<u>Associate Commissioner</u> Title of Authorized Representative	<u>CFO</u> Title of Authorized Representative
<u>6/4/15</u> Date	<u>6/2/15</u> 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.

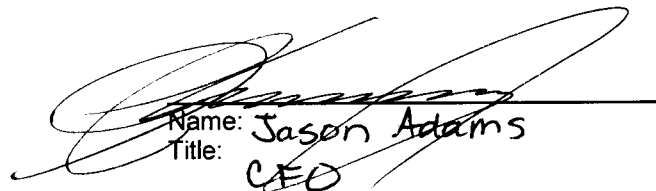
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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.

West Central Services, Inc. - DBA
Contractor Name: *West Central Behavioral Health*

6/2/15
Date


Name: *Jason Adams*
Title: *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: 150883403
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:

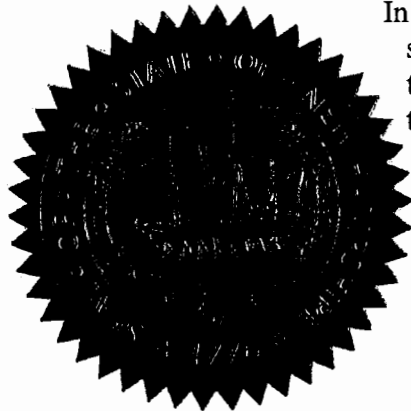
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 West Central Behavioral Health is a New Hampshire trade name registered on February 5, 2001 and that West Central Services, Inc. presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

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 West Central Services, Inc. is a New Hampshire nonprofit corporation formed June 6, 1985. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Katherine Milligan, do hereby certify that:

1. I am the duly elected Chairman, Board of Directors of West Central Services, Inc. DBA West Central Behavioral Health
2. The following are true copies of two resolutions duly adopted by meeting of the Board of Directors of the Corporation duly held on April 27, 2015.


RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

To Provide: Mental Health Services.

RESOLVED: That the President/CEO, Suellen Griffin or CFO, Jason Adams hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of **June 2, 2015**.
4. **Suellen Griffin** is duly elected **President/CEO and Jason Adams is CFO** of the Corporation.

(Seal)
(Corporation)

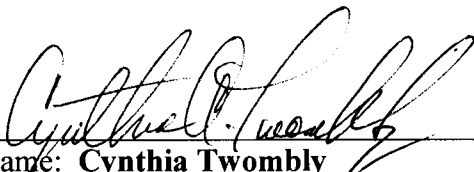

(Signature of Board Member)

State of **New Hampshire**

County of **Grafton**

The foregoing instrument was acknowledged before me this **2nd** day of **June, 2015**

by **Katherine Milligan**.


Name: **Cynthia Twombly**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: **August 14, 2018**

CYNTHIA A. TWOMBLY
Notary Public - New Hampshire
My Commission Expires August 14, 2018



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/02/2014

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 1-617-531-6000 Integro USA Inc. dba Integro Insurance Brokers Two Financial Center 60 South Street, Suite 800 Boston, MA 02111		CONTACT NAME: PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A : LEXINGTON INS CO	
		NAIC # 19437	
INSURED West Central Services, Inc. d/b/a West Central Behavioral Health 9 Hanover Street, Suite 2 Lebanon, NH 03766		INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :	

COVERAGES **CERTIFICATE NUMBER: 41750458** **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	GENERAL LIABILITY <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			6795757	10/01/14	10/01/15	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$	
							COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$	
								AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS
								UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$
								WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below
								WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
								HEALTHCARE PROFESSIONAL LIABILITY (CLAIMS MADE) Each Medical Incid 1,000,000 Aggregate 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Evidence of Insurance only. Any alteration to this certificate or its attachment by anyone other than Integro will make this certificate null and void.

CERTIFICATE HOLDER

State of New Hampshire

 Attn: Sandy Lawrence
 Bureau of Behavioral Health
 105 Pleasant Street, Main Bldg, Rm 210S
 Concord, NH 03301

USA

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)
06/02/2015

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 of New England 133 Federal Street 2nd Floor Boston, MA 02110	1-617-723-7775	CONTACT NAME:	
		PHONE (A/C, No, Ext):	FAX (A/C, No):
		E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: NEW HAMPSHIRE EMPLOYERS INS CO	NAIC # 13083
INSURED West Central Services Inc DBA: West Central Behavioral Health 9 Hanover Street, Suite 2 Lebanon, NH 03766		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 44151165

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"/> 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)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR 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			ECC-600-400024-2014A	06/01/15	06/01/16	<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

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

Evidence of Insurance

CERTIFICATE HOLDER

Bureau of Behavioral Health
105 Pleasant Street
Concord, NH 03301

USA

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)
04/13/2015

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PRODUCER Integro USA Inc. dba Integro Insurance Brokers Two Financial Center 60 South Street, Suite 800 Boston, MA 02111	1-617-531-6000	CONTACT NAME:	
			PHONE (A/C, No, Ext):
		E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	NAIC #
		INSURER A : NATIONAL UNION FIRE INS CO OF PITTS	19445
		INSURER B :	
		INSURER C :	
		INSURER D :	
		INSURER E :	
		INSURER F :	

INSURED
 Dartmouth-Hitchcock Health

and other Scheduled Named Insureds
 One Medical Center Drive
 Lebanon, NH 03756

COVERAGES **CERTIFICATE NUMBER:** 43537712 **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
	GENERAL LIABILITY <input type="checkbox"/> 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						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"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED 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 DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Directors & Officers Liab Liability incl. EPL - PRIMARY (Claims made)			1123443	03/31/15	03/31/16	Each Claim 15,000,000 Aggregate 15,000,000 Retention 25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Insured includes: West Central Services, Inc. d/b/a West Central Behavioral Health

CERTIFICATE HOLDER

State of New Hampshire
 Bureau of Behavioral Health
 Attn: Sandy Lawrence
 105 Pleasant Street, Main Bldg, Room 210S
 Concord, NH 03301

USA

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/13/2015

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 Integro USA Inc. dba Integro Insurance Brokers Two Financial Center 60 South Street, Suite 800 Boston, MA 02111	1-617-531-6000	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE INSURER A: NATIONAL UNION FIRE INS CO OF PITTS INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
INSURED Dartmouth-Hitchcock Health and other Scheduled Named Insureds One Medical Center Drive Lebanon, NH 03756		NAIC # 19445

COVERAGES

CERTIFICATE NUMBER: 43537703

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	
	GENERAL LIABILITY <input type="checkbox"/> 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						EACH OCCURRENCE	\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				WC STATUTORY LIMITS	OTHER
A	Fiduciary Liability			1123443	03/31/15	03/31/16	Each Claim	10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Insured includes: West Central Services, Inc. d/b/a West Central Behavioral Health
 Evidence of Fiduciary Liability

CERTIFICATE HOLDER

CANCELLATION

State of New Hampshire Bureau of Behavioral Health Attn: Sandy Lawrence 105 Pleasant Street, Main Bldg, Room 210S Concord, NH 03301 USA	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)

12/23/2014

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 CENTURION CORPORATION Centurion Place, PO Drawer 959 Hanover, NH 03755-0959 A. W. Cunningham, CIC	CONTACT NAME: A. W. Cunningham, CIC PHONE (A/C, No, Ext): 603-643-2000 E-MAIL ADDRESS: awc@centurionusa.com	FAX (A/C, No): 603-643-2740
	INSURER(S) AFFORDING COVERAGE	
INSURED NewEngland Alliance for Health Jeanette Lemay, Insurance Mgr. One Medical Center Drive Lebanon, NH 03756-0001	INSURER A : The Hartford	
	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 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 - COMP/OP AGG	\$ \$ \$ \$ \$ \$
A	AUTOMOBILE LIABILITY <input checked="" 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			04 UEN AW3725	10/01/2014	10/01/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	\$ 1,000,000 \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <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				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	\$ \$ \$

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

west Central Services, Inc. dba West Central Behavioral Health is a Named Insured on referenced policy.

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire Bureau of Behavioral Health Main Building, Room 210S 105 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 
--	---



Factory Mutual Insurance Company
 1175 Boston-Providence Turnpike
 P.O. Box 9102
 Norwood, Massachusetts
 02062
 United States of America
 Tel: (1) 781 440-8000
 Fax: (1) 781 440-8742

POLICY INFORMATION FORM

This document is issued as a matter of information only and confers no rights upon the document holder. This Policy Information Form does not amend, extend, or alter the coverage, terms, exclusions, conditions, or other provisions afforded by the policy. We hereby certify that insurance coverage is now in force with our Company as outlined below.

Policy No.:	AH293	Policy Term	
Account No.:	1-66404	Effective Date:	01 October 2014
		Expiration Date:	01 October 2015

NAMED INSURED:
 DARTMOUTH-HITCHCOCK HEALTH

DESCRIPTION AND LOCATION OF PROPERTY COVERED:
 See Attached

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided:	Peril:	Limit Of Liability:
Property Damage	All Risk	See Attached

CERTIFICATE TERM: **Effective:** 01 October 2014
Expires: 01 October 2015

THIS POLICY INSURES THE FOLLOWING KINDS OF PROPERTY:

Real Property in which the Insured has an insurable interest.

Personal Property owned by the Insured.

Personal Property, other than motor vehicles; of officers and employees of the Insured.

Personal Property of others in the custody of the Insured, which the Insured is under obligation to keep for physical damage of the type insured against under this policy.

State of New Hampshire
 ATTN: Sandy Lawrence
 Bureau of Behavioral Health
 105 Pleasant Street
 Main Building, Room 210S
 Concord, New Hampshire 03301, USA

Certificate No: 00029-001

Authorized Signature / Issue Date
 Michael J. Ryan / 09 January 2015

For questions, contact: Amy Daley

Account No.: 1-66404 Certificate No.: 00029-001
Policy No.: AH293

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property **Location No.:** **INDEX No.:**
Administration Building M5-01 001271.65
9 Hanover Street, Suite 2 **Division:**
Lebanon, New Hampshire 03766-1312, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 1,070,135

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property **Location No.:** **INDEX No.:**
Arbor View M5-02 001220.22
163 Summer Street **Division:**
Newport, New Hampshire 03773-1208, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 452,583

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property **Location No.:** **INDEX No.:**
Behavioral Information Systems M5-03 001220.21
24 Bank Street **Division:**
Lebanon, New Hampshire 03766-1770, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 549,371

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property **Location No.:** **INDEX No.:**
52 West Street M5-04 000000.00
Claremont, New Hampshire 03743, USA **Division:**
West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 129,578

Account No.: 1-66404 Certificate No: 00029-001
Policy No.: AH293

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property Location No.: INDEX No.:
122 Pleasant Street M5-05 000000.00
Claremont, New Hampshire 03743-2679, USA Division:
West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 185,368

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property Location No.: INDEX No.:
Counseling Center of Newport M5-06 000000.00
167 Summer Street, Suite 3 Division:
Newport, New Hampshire 03773-1281, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 65,244

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property Location No.: INDEX No.:
(Vacant) CSS M5-07 001220.18
18 Bailey Avenue Division:
Claremont, New Hampshire 03743-2704, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 598,140

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property Location No.: INDEX No.:
Counseling Center of Claremont M5-08 000000.00
140 North Street Division:
Claremont, New Hampshire 03743-2038, USA West Central Services

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided: **Peril:** **Limit Of Liability:**
Property Damage All Risk USD 126,578

Account No.: 1-66404 **Certificate No:** 00029-001
Policy No.: AH293

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property	Location No.:	INDEX No.:
High Street Apartments	M5-09	000000.00
64 High Street	Division:	
Claremont, New Hampshire 03743-2714, USA	West Central Services	

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided:	Peril:	Limit Of Liability:
Property Damage	All Risk	USD 850,337

DESCRIPTION AND LOCATION OF PROPERTY COVERED:

Real and Personal Property	Location No.:	INDEX No.:
Lebanon Adult & Children Services	M5-11	001375.97
85 Mechanic Street	Division:	
Lebanon, New Hampshire 03766-1500, USA	West Central Services	

COVERAGE IN FORCE: (subject to limits of liability, deductibles and conditions in the Policy)

Insurance Provided:	Peril:	Limit Of Liability:
Property Damage	All Risk	USD 225,849

WEST CENTRAL BEHAVIORAL HEALTH

Member of  DARTMOUTH-HITCHCOCK ALLIANCE

Vision

West Central Behavioral Health views mental health as the cornerstone of community health. We envision a time when mental health services are available as needed so that all people achieve their maximum potential.

Mission

West Central Behavioral Health's mission is to reduce the burden of mental illness and to improve the quality of life in our community. We commit ourselves to provide services that are safe, effective, client-centered, timely and efficient.

Values

West Central Behavioral Health values the worth, dignity and individuality of every person. We value our consumers as partners and recognize their right to self-determination. We value evidence-based clinical practices that have proven to be effective in treating mental and behavioral illness. We are committed to the highest standards of ethical conduct in all aspects of our work.

Our employees are our most valuable asset and we recognize that to achieve our mission and vision we must be good stewards of our resources. We must carefully manage them, and must collaborate with other agencies and groups, for the good of the community.

West Central Services, Inc.
d/b/a West Central Behavioral Health

FINANCIAL STATEMENTS

June 30, 2014

West Central Services, Inc.
d/b/a West Central Behavioral Health
TABLE OF CONTENTS
June 30, 2014

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Central Services, Inc.
d/b/a West Central Behavioral Health

We have audited the accompanying financial statements of West Central Services, Inc. d/b/a West Central Behavioral Health (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014 and 2013, and the related statement of activities and cash flows for the year then ended, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditor's 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 to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Central Services, Inc. d/b/a West Central Behavioral Health as of June 30, 2014 and 2013, 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.

To the Board of Directors
West Central Services, Inc.
d/b/a West Central Behavioral Health
Page 2

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on Pages 14 through 17 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement 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 financial statements as a whole.

Kittell Branagan & Sargent

St. Albans, Vermont
September 30, 2014

West Central Services, Inc.
d/b/a West Central Behavioral Health
STATEMENTS OF FINANCIAL POSITION
June 30,

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 429,754	\$ 238,192
Investments	347,336	298,835
Accounts receivable - trade, net	892,265	831,623
Accounts receivable - other	164,554	256,740
Current portion of notes receivable	961	3,843
Due from affiliates	1,486	1,855
Prepaid expenses	97,977	71,285
TOTAL CURRENT ASSETS	<u>1,934,333</u>	<u>1,702,373</u>
 PROPERTY AND EQUIPMENT, net	<u>776,026</u>	<u>816,890</u>
 INVESTMENTS	<u>79,633</u>	<u>75,346</u>
 OTHER ASSETS		
Deposits	<u>30,402</u>	<u>45,303</u>
 TOTAL ASSETS	<u>\$ 2,820,394</u>	<u>\$ 2,639,912</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Line of credit	\$ 722,275	\$ 637,515
Accounts payable	129,328	262,009
Accrued payroll and related expenses	26,105	33,429
Deferred revenue	108,388	62,243
Deposits and other current liabilities	5,357	4,912
Current portion of long-term debt payable	124,000	119,000
Current portion of capital lease obligations	5,698	10,772
TOTAL CURRENT LIABILITIES	<u>1,121,151</u>	<u>1,129,880</u>
 CAPITAL LEASE OBLIGATIONS, less current portion above	<u>6,946</u>	<u>12,236</u>
 LONG-TERM DEBT, less current portion above	<u>634,500</u>	<u>728,500</u>
 TOTAL LIABILITIES	<u>1,762,597</u>	<u>1,870,616</u>
 NET ASSETS		
Temporarily restricted	16,000	-
Unrestricted	1,041,797	769,296
TOTAL NET ASSETS	<u>1,057,797</u>	<u>769,296</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,820,394</u>	<u>\$ 2,639,912</u>

See Accompanying Notes to Financial Statements

West Central Services, Inc.
d/b/a West Central Behavioral Health
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended June 30,

	2014			2013
	Unrestricted Funds	Temporarily Restricted Funds	All Funds	
PUBLIC SUPPORT AND REVENUES				
Public support:				
Federal	\$ 173,527	\$ -	\$ 173,527	\$ 94,727
State of New Hampshire - BBH	251,827	-	251,827	101,827
Contracted services and other public support	400,917	20,000	420,917	411,836
Total public support	<u>826,271</u>	<u>20,000</u>	<u>846,271</u>	<u>608,390</u>
Revenues:				
Program service fees	8,256,609	-	8,256,609	8,714,633
Rental income	146,564	-	146,564	139,002
In-Kind revenue	45,576	-	45,576	41,581
Other revenue	674,656	-	674,656	772,424
Net assets released from restriction	4,000	(4,000)	-	-
Total revenues	<u>9,127,405</u>	<u>(4,000)</u>	<u>9,123,405</u>	<u>9,667,640</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>9,953,676</u>	<u>16,000</u>	<u>9,969,676</u>	<u>10,276,030</u>
EXPENSES				
BBH funded program services:				
Maintenance	3,688,379	-	3,688,379	3,514,922
Vocational	198,983	-	198,983	577,936
Children	3,095,846	-	3,095,846	3,317,298
Act Team	305,494	-	305,494	404,983
Emergency services	481,551	-	481,551	324,294
Housing services	982,816	-	982,816	900,426
Non-eligibles	409,656	-	409,656	689,170
Other Non-BBH funded program services	567,307	-	567,307	375,667
TOTAL EXPENSES	<u>9,730,032</u>	<u>-</u>	<u>9,730,032</u>	<u>10,104,696</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	223,644	16,000	239,644	171,334
OTHER INCOME				
Investment Income	48,857	-	48,857	19,988
INCREASE IN NET ASSETS	272,501	16,000	288,501	191,322
NET ASSETS, beginning of year	<u>769,296</u>	<u>-</u>	<u>769,296</u>	<u>577,974</u>
NET ASSETS, end of year	<u>\$ 1,041,797</u>	<u>\$ 16,000</u>	<u>\$1,057,797</u>	<u>\$ 769,296</u>

See Accompanying Notes to Financial Statements

West Central Services, Inc.
d/b/a West Central Behavioral Health
STATEMENTS OF CASH FLOWS
For the Years Ended June 30,

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 288,501	\$ 191,322
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	90,187	91,827
Unrealized gain on investment in partnership	(4,287)	(6,694)
Loss on disposal of assets	29,586	-
(Increase) decrease in the following assets:		
Accounts receivable - trade	(60,642)	106,852
Accounts receivable - other	92,186	(141,462)
Due from affiliates	369	(1,005)
Prepaid expenses	(26,692)	(16,897)
Security Deposits	14,901	9,193
Increase (decrease) in the following liabilities:		
Accounts payable	(132,681)	301,168
Accrued payroll and related expenses	(7,324)	19,257
Deferred revenue	46,145	17,876
Due to affiliates	-	(3,575)
Deposits and other current liabilities	445	397
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>330,694</u>	<u>568,259</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(43,909)	(71,721)
Payments received on notes receivable	2,882	3,515
Investment activity, net	<u>(48,501)</u>	<u>(18,069)</u>
NET CASH (USED) IN INVESTING ACTIVITIES	<u>(89,528)</u>	<u>(86,275)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds on line of credit	84,760	(133,826)
Payments on capital lease obligations	(10,364)	(12,113)
Repayment of notes payable	<u>(124,000)</u>	<u>(234,500)</u>
NET CASH (USED) IN FINANCING ACTIVITIES	<u>(49,604)</u>	<u>(380,439)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	191,562	101,545
 CASH AND CASH EQUIVALENTS, Beginning of year	<u>238,192</u>	<u>136,647</u>
 CASH AND CASH EQUIVALENTS, End of year	<u>\$ 429,754</u>	<u>\$ 238,192</u>
 SUPPLEMENTAL DISCLOSURE		
Cash paid during the year for interest	<u>\$ 27,761</u>	<u>\$ 27,284</u>
Assets acquired through issuance of long-term debt	<u>\$ 35,000</u>	<u>\$ -</u>
Recharacterization of accounts payable	<u>\$ -</u>	<u>\$ 532,000</u>

See Notes to Accompanying Financial Statements

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

West Central Services, Inc. d/b/a West Central Behavioral Health (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs; it is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). In addition, the Center qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an Center that is not a private foundation under Section 509(a)(2).

Property and Equipment

All property and equipment is recorded at cost, or estimated fair value at date of acquisition. The Center follows the policy of charging to costs and expenses annual amounts of depreciation, which allocates the cost of property and equipment over estimated useful lives. The Center has a policy of capitalizing assets with a cost in excess of \$1,000 and a life greater than one year. The Center uses the straight-line method for determining the annual charge for depreciation. Asset lives range from 3-40 years.

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized.

The Center reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, as well as the effects of obsolescence, demand, competition and other economic factors.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation allotments are granted in full complement to employees at the beginning of the fiscal year and are to be utilized by June 30th; unused time is forfeited. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the program.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Center considers cash on hand, cash in banks and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentration of Credit Risk

The Center maintains cash balances at several financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times throughout the year, cash balances with these institutions exceed that amount. The Center has not incurred any losses related to uninsured cash.

Advertising

Advertising costs are expensed to operating expenses as incurred. Advertising expense for the years ended June 30, 2014 and 2013 was \$14,527 and \$22,592, respectively.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payer coverage and are self-pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payer programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled \$8,256,609, of which \$7,932,435 was revenue from third-party payers and \$324,174 was revenue from self-pay clients.

Third-Party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payers. The Center receives reimbursement from Medicare, Medicaid, Blue Cross and other third-party payers at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received and/or billed. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Functional Allocation of Expenses

The costs of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payer source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payer source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payers experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center decreased its estimated percentage in the allowance for doubtful accounts from 33% to 31%. The allowance for doubtful accounts decreased to \$405,294 as of June 30, 2014 from \$412,039 as of June 30, 2013.

Income Taxes

The Corporation is exempt from federal income tax under Internal Revenue Code Section 501(C)(3) and is not a private foundation. Therefore no provision for income tax expense has been reflected in these financial statements.

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2011 remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

NOTE 2 ACCOUNTS RECEIVABLE

	<u>2014</u>	<u>2013</u>
ACCOUNTS RECEIVABLE - TRADE		
Medicaid receivable	\$ 817,902	\$ 509,638
Due from clients	329,046	459,078
Receivable from insurance companies	92,207	214,504
Medicare receivable	<u>58,404</u>	<u>60,442</u>
	1,297,559	1,243,662
Allowance for doubtful accounts and estimated contractual allowances	<u>(405,294)</u>	<u>(412,039)</u>
TOTAL ACCOUNTS RECEIVABLE - TRADE	<u>\$ 892,265</u>	<u>\$ 831,623</u>

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 2 ACCOUNTS RECEIVABLE (continued)

Accounts receivable of the Center consisted of the following at June 30:

ACCOUNTS RECEIVABLE - OTHER

Various contracts	\$ 137,621	\$ 111,675
Rents	(4,572)	(2,712)
United way	3,750	3,750
Mary Hitchcock Memorial Hospital	5,000	-
Dartmouth Inshape Program	150	4,305
Cities & Towns	-	25,083
Bureau of Behavioral Health	11,797	-
Behavioral Information Systems reimbursement	9,250	-
HCHC	669	7,629
Meaningful Use Program	-	106,250
Other	<u>889</u>	<u>760</u>
TOTAL ACCOUNTS RECEIVABLE - OTHER	<u>\$ 164,554</u>	<u>\$ 256,740</u>

NOTE 3 PROPERTY AND EQUIPMENT

The Center had property and equipment consisting of the following at June 30:

	<u>2014</u>	<u>2013</u>
Land	\$ 43,372	\$ 43,372
Building and improvements	950,040	1,237,736
Furniture, fixtures and equipment	491,219	501,700
Vehicles	21,375	19,500
Asset held for sale	<u>322,696</u>	<u>-</u>
	1,828,702	1,802,308
Accumulated depreciation	<u>(1,052,676)</u>	<u>(985,418)</u>
Net book value	<u>\$ 776,026</u>	<u>\$ 816,890</u>

Depreciation expense for the years ended June 30, 2014 and 2013 was \$90,187 and \$91,827, respectively.

Included in assets held for sale is real estate located at 18 Bailey Ave in which a purchase and sale agreement has been signed for \$92,000. The closing date for the sale is expected to take place subsequent to year end. The current net book value of this property on June 30, 2014 is \$32,420 and the Center anticipates a gain on this transaction.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 INVESTMENTS

The Center has invested funds in various pooled funds with The Vanguard Group. The approximate breakdown of these investments are as follows at June 30,:

2014	Cost	Unrealized Gain (Loss)	Market Value
Equity Funds	\$ 302,593	\$ 44,743	\$ 347,336

2013	Cost	Unrealized Gain (Loss)	Market Value
Equity Funds	\$ 296,720	\$ 2,115	\$ 298,835

Investment income (losses) consisted of the following at June 30,:

	2014	2013
Interest and dividends	\$ 6,229	\$ 8,407
Realized gains (losses)	-	30,436
Unrealized gains (losses)	42,628	(18,513)
Fees	-	(2,262)
	\$ 48,857	\$ 18,068

Other Investments consisted of the following at June 30:

	2014	2013
Investments in Behavioral Information Systems, LLC	\$ 79,633	\$ 75,346

The Center entered into a joint venture with another New Hampshire Community Mental Health Center. Under the terms of the venture, the Center invested \$88,625 for a 50% interest in the new company, Behavioral Information Systems, LLC (BIS). At June 30, 2014 and 2013, the Center owed BIS \$750 and \$3,914, respectively, for current services. The investment is being accounted for under the equity method. Accordingly, 50% of the BIS operating activity for the year had been reflected on the books of the Center. The Center's recorded operating gains for the years ended June 30, 2014 and 2013 was \$4,287 and \$6,694, respectively.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 5 FAIR VALUE MEASUREMENTS

Professional accounting standards established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

All investments short term are categorized as Level 1 and recorded at fair value, as of June 30, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 6 NOTE RECEIVABLE

During 2009, the Center sold 61 shares of \$.01 par class C common stock in Mental Health Risk Retention Group, Inc. (MHRRG). The investment was recorded at cost, as the fair market value was not readily determinable. On April 10, 2009, all of the stock was bought back by MHRRG at 90% of the original cost, and a note receivable of \$27,450 was recorded. The balance was to be paid with a payment of \$8,235 upon agreement, and then 20 equal quarterly installments, ending July 1, 2014. As of June 30, 2014 and 2013, the balance on the note receivable was \$961 and \$3,843, respectively.

NOTE 7 DEFERRED REVENUE

The Center's deferred revenue consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Paddle Power advanced payments	\$ 19,078	\$ 17,223
Newport Charitable Foundation	2,200	7,700
Mascoma Savings Bank	5,000	5,000
Bank of America	15,000	15,000
Byrne Foundation	55,000	-
Bureau of Behavioral Health	9,618	-
State of NH - HCHC	-	4,007
Newport Service Organization	-	1,500
Sullivan County Teen Substance Abuse	-	2,195
Other contracts	2,492	9,618
	<u>\$ 108,388</u>	<u>\$ 62,243</u>

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 8 LONG-TERM DEBT

Long-term debt consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Dartmouth College note payable, 0% interest, principal only payment of \$9,917 made monthly, due December 2015	\$ 178,500	\$ 297,500
Rivermill Housing leasehold note payable, 0% interest, principal only payment of \$5,000 made annually, due July 2019	30,000	-
Affordable Housing Fund, 0% interest, 30 years, payment based on 50% surplus cash flow from High Street property, due September 2034.	<u>550,000</u>	<u>550,000</u>
	758,500	847,500
Less: Current portion	<u>(124,000)</u>	<u>(119,000)</u>
	<u>\$ 634,500</u>	<u>\$ 728,500</u>

Aggregate principal payments on long-term debt due within the next five years and in the aggregate are as follows:

<u>June 30,</u>	
2015	\$ 124,000
2016	64,500
2017	5,000
2018	5,000
2019	5,000
Thereafter	<u>555,000</u>
Total	<u>\$ 758,500</u>

Interest expense was \$27,761 and \$27,284 for the years ended June 30, 2014 and 2013, respectively.

NOTE 9 LINE OF CREDIT

As of June 30, 2014 and 2013, the Center had available a line of credit with a maximum amount available of \$1,000,000 collateralized by all property and the investment account held with Vanguard. The amount available is limited to 75% of receivables less than 90 days old. As of June 30, 2014 and 2013, the outstanding balance was \$722,275 and \$637,515, respectively. The effective interest rate at June 30, 2014 and 2013 was 4.25%. The line of credit expires in December 2014.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 10 CAPITAL LEASE OBLIGATIONS

The amount is presented on the accompanying statement of financial position as follows:

	<u>2014</u>	<u>2013</u>
Current obligations under capital lease	\$ 5,698	\$ 10,772
Obligations under capital lease, less current portion	<u>6,946</u>	<u>12,236</u>
	<u>\$ 12,644</u>	<u>\$ 23,008</u>

Remaining future minimum lease payments under capital leases for fiscal years ending subsequent to June 30, 2014 are as follows:

<u>June 30,</u>		
2015	\$ 6,393	
2016	2,917	
2017	<u>4,583</u>	
Total minimum lease payments	13,893	
Less: Amount representing interest	<u>(1,249)</u>	
	<u>\$ 12,644</u>	

Following is a summary of property held under capital lease:

	<u>2014</u>	<u>2013</u>
Copiers and phone equipment	\$ 54,334	\$ 95,274
Less: Accumulated depreciation	<u>(44,460)</u>	<u>(74,533)</u>
	<u>\$ 9,874</u>	<u>\$ 20,741</u>

Depreciation on assets under capital leases charged to expense was \$10,867 and \$11,644 in 2014 and 2013, respectively.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 11 RELATED PARTY TRANSACTIONS

Behavioral Information Systems, LLC (BIS)

The Center is a 50% owner in BIS for which it contracts for MIS and IT support. During 2014 and 2013, the Center paid BIS \$5,042 and \$44,564, respectively, for services rendered.

The Center from time to time provides advances to BIS for payroll and other operating costs for which BIS reimburses the Center. As of June 30, 2014 and 2013, BIS owed the Center \$9,250 and \$1,855, respectively, for advances that had not been repaid. Also as of June 30, 2014 and 2013, the Center owed BIS \$446 and \$3,914, respectively, for consulting services.

Valley Behavioral Healthcare, LLC

The Center formed a New Hampshire limited liability company on September 30, 2004 of which the Center owns a 100% interest. Valley Behavioral Healthcare, LLC contracts with The Geisel School of Medicine at Dartmouth to provide behavioral health services over which the Center maintains no control. During 2014 and 2013, the LLC provided administrative services to the Geisel School of Medicine at Dartmouth for which it generated gross revenue of \$20,242 and \$22,873, respectively. As of June 30, 2014 and 2013 the Center was owed from the LLC \$50 and \$1,692, respectively.

Affiliation

As of January 1, 2009, the Center became a member of New England Alliance for Health (NEAH). NEAH assists its members to improve the health of the communities they serve by providing services to its members to enable them to improve the quality of patient care and health care costs. Members include health care organizations in New Hampshire, Vermont and Massachusetts. During fiscal years ended June 30, 2014 and 2013, the Center paid \$110,242 and \$106,536, respectively, to NEAH for group insurance and assessment fees.

The Geisel School of Medicine at Dartmouth

The Center contracts with The Geisel School of Medicine at Dartmouth for a variety of services including administrative and clinical personnel. During fiscal years ended June 30, 2014 and 2013, the Center paid \$439,510 and \$426,266, respectively. At June 30, 2014 and 2013, the Center owed DMS \$32,696 and \$82,948, respectively. The Center also recharacterized amounts owed for services provided into a long term note payable during fiscal year 2013. At June 30, 2014 the balance owed on this note payable is \$178,500.

NOTE 12 EMPLOYEE RETIREMENT PLAN

The Center maintains a tax deferred employee retirement plan for its employees. The plan is a defined contribution plan that covers substantially all full-time employees who meet certain eligibility requirements. During the years ended June 30, 2014 and 2013, there were no employer contributions to this retirement plan.

West Central Services, Inc.
d/b/a West Central Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 13 CONCENTRATIONS OF CREDIT RISK

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payer agreements. The mix of receivables due from clients and third-party payers at June 30, 2014 is as follows:

	<u>2014</u>	<u>2013</u>
Due from clients	25 %	37 %
Insurance companies	7	17
Medicaid	63	41
Medicare	<u>5</u>	<u>5</u>
	<u>100 %</u>	<u>100 %</u>

NOTE 14 OPERATING LEASES

The Center leases real estate and vehicles under various operating leases. Minimum future rental payments under non-cancelable operating leases as of June 30, 2014 for the each of the next five years and in the aggregate are:

<u>June 30,</u>	
2015	\$ 662,417
2016	573,543
2017	479,775
2018	407,026
2019	376,242
Thereafter	<u>345,933</u>
	<u>\$ 2,844,936</u>

Total rent expense for the years ended June 30, 2014 and 2013, including rent expense for leases with the remaining term of one year or less, was \$652,616 and \$662,839, respectively.

NOTE 15 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through September 30, 2014, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2014, have been incorporated into the basic financial statements herein.

SUPPLEMENTARY INFORMATION

West Central Services, Inc.
d/b/a West Central Behavioral Health
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	<u>Accounts Receivable Beginning of Year</u>	<u>Gross Fees</u>	<u>Contractual Allowances and Other Discounts Given</u>	<u>Cash Receipts</u>	<u>Accounts Receivable End of Year</u>
CLIENT FEES	\$ 459,078	\$ 1,214,929	\$ (890,755)	\$ 454,206	\$ 329,046
OTHER INSURANCE	214,504	722,220	(50,726)	793,791	92,207
MEDICAID	509,638	8,036,561	(1,162,485)	6,565,812	817,902
MEDICARE	<u>60,442</u>	<u>417,250</u>	<u>(30,385)</u>	<u>388,903</u>	<u>58,404</u>
TOTAL	<u>\$ 1,243,662</u>	<u>\$ 10,390,960</u>	<u>\$ (2,134,351)</u>	<u>\$ 8,202,712</u>	<u>\$ 1,297,559</u>

West Central Services, Inc.
d/b/a West Central Behavioral Health
ANALYSIS OF BBH REVENUES AND RECEIVABLES
For the Year Ended June 30, 2014

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2014	\$ -	\$ 251,828	\$ (249,649)	\$ 2,179

Analysis of Receipts Date of Receipt Deposit Date	Amount
07/22/13	\$ 16,372
08/27/13	8,486
09/30/13	17,165
10/23/13	8,486
10/30/13	16,115
11/22/13	16,116
12/26/13	18,022
12/27/13	21,913
01/22/14	7,629
01/31/14	8,486
02/10/14	9,537
02/21/14	71,283
02/27/14	10,000
03/06/14	8,486
04/03/14	8,486
04/04/14	28,832
04/09/14	19,429
04/25/14	18,536
05/06/14	8,486
05/08/14	8,244
05/20/14	7,629
05/21/14	24,149
06/02/14	10,581
06/06/14	3,264
06/18/14	7,240
06/25/14	14,204
06/30/14	26,000
Less: Federal Monies	<u>(173,527)</u>
	<u>\$ 249,649</u>

West Central Services, Inc.
d/b/a West Central Behavioral Health
STATEMENT OF FUNCTIONAL REVENUES
For the Year Ended June 30, 2014
Comparative Totals for 2013

	<u>Total Agency</u>	<u>Total Admin.</u>	<u>Total Programs</u>	<u>Maintenance</u>
Program Services Fees:				
Net client fees	\$ 324,174	\$ -	324,174	\$ 128,104
Medicaid	6,874,076	-	6,874,076	2,441,042
Medicare	386,865	-	386,865	335,164
Other insurance	671,494	-	671,494	180,265
Public Support - Other:				
United Way	15,000	15,000	-	-
Local/County Government	46,000	-	46,000	-
Donations/Contributions	296,300	296,300	-	-
Other Public Support	63,617	63,617	-	-
Bur. Developmental Services	-	-	-	-
Federal Funding:				
Other Federal Grants	173,527	10,000	163,527	145,053
BBH:				
Community Mental Health	251,827	-	251,827	-
Rental Income	146,564	-	146,564	-
Interest Income	48,857	48,857	-	-
In-Kind Donations	45,576	45,576	-	-
Other Revenues	<u>674,656</u>	<u>(21,924)</u>	<u>696,580</u>	<u>1,594</u>
	10,018,533	457,426	9,561,107	3,231,222
Administrative Allocation	<u>-</u>	<u>(457,426)</u>	<u>457,426</u>	<u>146,313</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>\$ 10,018,533</u>	<u>\$ -</u>	<u>\$ 10,018,533</u>	<u>\$ 3,377,535</u>

<u>Vocational</u>	<u>Children</u>	<u>ACT Team</u>	<u>Emergency</u>	<u>Housing</u>	<u>Non-Eligibles</u>	<u>Non-BBH</u>	<u>2013</u>
\$ 7,130	\$ 126,030	\$ 1,317	\$ 16,011	\$ 4,142	\$ 41,668	\$ (228)	\$ 488,773
104,763	3,253,431	60,105	78,516	872,151	36,712	27,356	7,103,217
-	2,393	2,173	(7,679)	2,404	37,647	14,763	333,907
-	363,896	-	11,468	136	112,902	2,827	788,736
-	-	-	-	-	-	-	10,933
-	2,000	-	-	-	44,000	-	69,467
-	-	-	-	-	-	-	308,058
-	-	-	-	-	-	-	251
-	-	-	-	-	-	-	23,127
1,500	16,974	-	-	-	-	-	94,727
-	-	150,000	101,827	-	-	-	101,827
-	-	-	-	146,564	-	-	139,002
-	-	-	-	-	-	-	19,988
-	-	-	-	-	-	-	41,581
<u>72</u>	<u>27,823</u>	<u>14</u>	<u>62,820</u>	<u>-</u>	<u>76</u>	<u>604,181</u>	<u>772,424</u>
113,465	3,792,547	213,609	262,963	1,025,397	273,005	648,899	10,296,018
<u>9,145</u>	<u>160,226</u>	<u>22,862</u>	<u>22,862</u>	<u>41,151</u>	<u>18,289</u>	<u>36,578</u>	<u>-</u>
<u>\$ 122,610</u>	<u>\$3,952,773</u>	<u>\$236,471</u>	<u>\$ 285,825</u>	<u>\$ 1,066,548</u>	<u>\$ 291,294</u>	<u>\$ 685,477</u>	<u>\$ 10,296,018</u>

West Central Services, Inc.
d/b/a West Central Behavioral Health
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014, with
Comparative Totals for 2013

	<u>Total Agency</u>	<u>Total Admin.</u>	<u>Total Programs</u>	<u>Maintenance</u>	<u>Vocational</u>
Personnel Costs:					
Salary & Wages	\$ 6,209,774	\$ 441,642	\$ 5,768,132	\$ 2,205,722	\$ 122,081
Employee Benefits	868,579	58,209	810,370	331,349	30,522
Payroll Taxes	461,466	32,946	428,520	164,493	9,116
Professional Fees:					
Professional Fees	265,735	88,847	176,888	77,598	5,989
Staff Devel. & Training:					
Staff Development	28,518	4,679	23,839	6,767	296
Occupancy Costs:					
Rent	652,616	82,702	569,914	200,759	12,588
Other Utilities	95,473	1,258	94,215	19,581	999
Maintenance & Repairs	87,382	3,516	83,866	23,380	2,043
Taxes	44,743	12,427	32,316	-	-
Other Occupancy Costs	146,115	31,481	114,634	49,826	-
Consumable Supplies:					
Office/Building/Household	74,814	19,054	55,760	19,144	1,090
Food	37,418	1,453	35,965	5,323	407
Education/Training	370	-	370	240	-
Medical	6,072	4,541	1,531	514	27
Equipment Rental	66,657	10,012	56,645	19,424	1,644
Depreciation	90,187	38,076	52,111	6,373	1,245
Advertising	5,647	-	5,647	1,977	169
Printing	8,880	-	8,880	3,033	260
Development	-	-	-	-	-
Telephone/Communications	62,000	17,559	44,441	13,136	708
Postage/Shipping	16,335	7,307	9,028	3,996	322
Transportation:					
Staff/Clients	135,603	12,936	122,667	46,720	3,177
Insurance:					
General/Liability	88,563	5,189	83,374	27,011	-
Interest Expense	29,935	426	29,509	10,156	747
Other Expenditures	247,150	67,967	179,183	87,913	1,570
	<u>9,730,032</u>	<u>942,227</u>	<u>8,787,805</u>	<u>3,324,435</u>	<u>195,000</u>
Administrative Allocation	<u>-</u>	<u>(942,227)</u>	<u>942,227</u>	<u>363,944</u>	<u>3,983</u>
TOTAL PROGRAM EXPENSES	<u>\$ 9,730,032</u>	<u>\$ -</u>	<u>\$ 9,730,032</u>	<u>\$ 3,688,379</u>	<u>\$ 198,983</u>

<u>Children</u>	<u>Act</u>	<u>Emergency</u>	<u>Housing</u>	<u>Non-Eligibles</u>	<u>Other Non-BBH</u>	<u>2013</u>
\$ 1,898,148	\$ 143,236	\$ 302,929	\$ 508,557	\$ 231,786	\$ 355,673	\$ 6,522,223
305,122	16,938	15,182	65,262	21,550	24,445	859,662
137,191	10,800	22,327	40,881	16,681	27,031	486,328
44,151	11,282	6,694	10,126	5,987	15,061	252,971
6,256	-	512	1,867	580	7,561	41,338
191,832	28,025	13,419	78,000	45,291	-	662,838
19,915	2,622	1,249	44,976	4,873	-	85,586
25,788	5,101	2,514	21,781	3,259	-	132,057
-	-	-	32,316	-	-	31,992
40,352	-	-	4,361	20,095	-	147,353
15,710	2,959	1,277	10,895	3,432	1,253	85,460
7,705	314	105	21,545	246	320	38,653
130	-	-	-	-	-	-
233	70	33	586	68	-	1,284
21,129	2,916	1,799	5,044	3,317	1,372	57,495
18,820	109	410	24,268	777	109	91,827
2,033	226	169	508	339	226	-
3,120	347	260	780	520	560	22,592
-	-	-	-	-	-	-
14,970	1,458	6,473	4,885	2,434	377	74,100
2,733	617	364	340	558	98	17,060
40,839	3,381	3,791	6,831	716	17,212	112,065
30,098	3,087	2,314	13,147	4,630	3,087	83,120
13,703	1,172	855	-	1,791	1,085	-
44,936	2,138	13,397	7,659	5,593	15,977	298,692
2,884,914	236,798	396,073	904,615	374,523	471,447	10,104,696
210,932	68,696	85,478	78,201	35,133	95,860	-
<u>\$ 3,095,846</u>	<u>\$ 305,494</u>	<u>\$ 481,551</u>	<u>\$ 982,816</u>	<u>\$ 409,656</u>	<u>\$ 567,307</u>	<u>\$ 10,104,696</u>

West Central Behavioral Health

AFFILIATE OF THE DEPARTMENT OF PSYCHIATRY, GEISEL SCHOOL OF MEDICINE AT DARTMOUTH

BOARD OF DIRECTORS FY15

FEBRUARY 24, 2015

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Clinton Bean

Professor Phillip Stocken

Daniel Lee
Tuck Board Fellow

Pete Bleyler

Suellen M. Griffin

Professional Experience

President/CEO

10/07 - Present

West Central Behavioral Health Services, Lebanon, N.H.

Responsible for the overall planning, organizing, directing and evaluating of services at West Central Behavioral Health (WCBH). Services include the provision of mental health and substance abuse services to members of the community. The organization has approximately 200 employees and an 11 million dollar operating budget.

Specific responsibilities include:

- Act as ex-officio voting member of the Board of Directors.
- Manage the organization's financial resources including the annual preparation of the organization's budget.
- Coordinate the programs and services of WCBH with other health and human service providers within the community.
- Participate in state and regional planning including but not limited to the provision of Behavioral Health Services.
- Prepare and present the Agency's Annual Report.
- Develop a strategic plan for the organization.
- Locate and develop revenue sources.
- Act as a liaison between the organization and other groups such as the New Hampshire Bureau of Behavioral Health, Dartmouth Medical School, Department of Psychiatry and Dartmouth-Hitchcock Medical Center

Vice President-Operations

9/00 to 2/07

Saint Vincent Catholic Medical Centers, New York, NY

Behavioral Health Service Division

Responsible for all inpatient and ambulatory behavioral health services within an eight-hospital system. Programs are located in Brooklyn, Queens, Manhattan, Staten Island and Westchester. There are 407 inpatient beds and 65 OMH or OASAS licensed ambulatory programs. Oversee program development, budgets, regulatory reviews, staff education and quality improvement for all programs. The programs have an overall revenue base of 135 million dollars.

- Developed a system-wide Quality Improvement plan spanning all programs and regions. Received the Pinnacle Award for Quality Improvement from HANYS in 2004.
- Developed new services within units and programs to meet the community needs, e.g. Latino mental health and substance abuse services were started in several programs in Westchester and Manhattan.
- Established and implemented productivity standards across BHS system and assured compliance with these standards.
- Established a monitoring system for all inpatient units to assure compliance with established policies.
- Participated in and successfully negotiated several different union contracts, NYSNA and 1199, across the SVCMC system.
- Opened and operated a 19 bed substance abuse detoxification unit in an acute care facility with \$5,303,074 in revenue and a \$2,003,052 contribution margin.
- Designed and operated a 21 bed psychiatric inpatient unit serving the dually diagnosed population of Mentally Ill/Mentally Retarded and Developmentally Disabled with a \$3,983,709 increase in revenue and a \$971,305 contribution margin.
- Designed and operated a 24 bed psychiatric inpatient unit with a revenue base of \$4,773,377 and a contribution margin of \$1,008,761.
- Opened a 10 bed detoxification unit with \$2,813,847 in revenue and a \$591,706 contribution margin.
- Actively participated with the Board of Directors of the Maxwell Institute, a substance abuse program, to raise over \$100,000 per year to support the program.
- Established and implemented productivity standards across BHS system to produce a positive bottom-line.

Vice President-Clinical Service, Harrison and

11/99-9/00

Director- Patient Care Services Manhattan

St. Vincent's Hospital, Harrison, NY and West 12th Street, New York, NY

Responsible for staffing, productivity, budgets and program development for all Behavioral Health services at both the Harrison and Manhattan sites. Services include nine inpatient units, totaling 218 beds, two Continuing Day Treatment programs, two Outpatient Mental Health programs, a Partial Hospital program, an Adolescent Day Treatment program, Outpatient Alcohol services, a Methadone Maintenance program and two Forensic programs. All programs successfully reviewed and relicensed by OMH, OASAS and JCAHO. Reorganized inpatient services to integrate supervision and management of multi-disciplinary departments.

Vice President-Clinical Services

11/98-10/99

St. Vincent's Hospital, Harrison, NY

In addition to all responsibilities noted as Vice President of Ambulatory Services, assumed budgetary and staffing responsibility for 133 bed inpatient psychiatric/substance abuse facility and ancillary services, including ECT, radiology and laboratory. Functioned as Senior Nurse Executive and established nursing practice guidelines for facility. Assisted other members of the Executive Staff in the daily operations of the Hospital.

Developed and operated an inpatient psychiatric unit and an outpatient psychiatric program at the Westchester County Jail, Valhalla, NY. Program was licensed by the Office of Mental Health, New York.

Vice President-Ambulatory Services

7/96-11/98

St. Vincent's Hospital, Harrison, NY

Responsible for initiating relationships with governmental agencies, other providers, consumer organizations and payors to ensure the development of ambulatory and community services. Directs all ambulatory programs in their day-to-day management. Responsible for program budgets, staffing and productivity. Programs included Community Support Service/Intensive Case Management, Continuing Day Treatment, Intensive Psychiatric Rehabilitation Treatment, Methadone Maintenance Program, Outpatient Alcohol Services, and Outpatient Mental Health Services. Also had Administrative responsibility for two BOCES education programs for emotionally disturbed and MRDD adolescent. Programs met or exceeded budget, annually.

Administrative Director-Outpatient Department

10/94-7/96

St. Vincent's Hospital, Harrison, NY

Responsible for department budget and statistical reports, staff performance appraisals and schedules. Coordinated the intake of clients to the department including the assignment to appropriate clinicians. Provided individual assessment, short-term psychotherapy and long-term symptom management for clients. Acted as the community liaison.

St. Vincent's Hospital, Harrison, NY

Assistant Director, Outpatient Mental Health Services

7/94-10/94

Referral Coordinator/Therapist

10/93-7/94

Clinical Nurse Specialist, Nursing Services

7/88-10/93

Evening Divisional Care Coordinator, Nursing Administration

12/82-7/88

Head Nurse, Nursing Services

2/79-12/82

Staff Nurse, Nursing Services

2/76-2/79

Adjunct Clinical Instructor

8/93-12/95

Cochran School of Nursing, St. John's Hospital

Yonkers, NY

Provided clinical instruction in Psychiatric/Mental Health Nursing for nursing students.

Captain-United States Army Reserve

8/90-3/00

Responsible for skills assessment and training of nursing personnel for the 815th Station Hospital and the 344th General Hospital.

Senior Officer responsible for all aspects of Finance Department – 344th General Hospital.

Lecturer

10/07-Present

Department of Psychiatry, Dartmouth Medical School

Education**M.S.N.****Yale University, New Haven, CT****1992**

Masters in Adult Psychiatric/Mental Health Nursing

Sigma Theta Tau Honor Society

B.B.A.**Pace University, Pleasantville, NY****1987**

Bachelor of Business Administration

Alpha Chi Honor Society

Diploma**St. Mary's School of Nursing, Amsterdam, NY****1976**

Registered Nurse

Licenses:

Registered Nurse: Connecticut and New York State

Psychiatric Nurse Practitioner: New York State

Academic Appointments:

Lecturer in Psychiatry, Dartmouth Medical School, Lebanon, NH

2007-present**Professional Organizations, Honors and Activities**

American College of Healthcare Executives, FACHE

New York Organization of Nurse Executives

Sigma Theta Tau Honor Society, Delta Mu Chapter

Alpha Chi Honor Society

Member of the Board of Directors, St Philip the Apostle Foundation, 2002-2005

Member of the Board of Directors, Good Counsel's Daystar Program, 2004-2007

Research

Chronic Medical Illness as it Relates to Major Depressive Disorder, Yale University, 1992 (unpublished Master Thesis)

KEY ADMINISTRATIVE PERSONNEL - FY2016

WEST CENTRAL SERVICES

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Suellen Griffin	1.00	\$ 214,056.00	\$ 83,242.12	39%
Chief Financial Officer	Jason Adams	1.00	\$ 90,675.00	\$ 35,261.70	39%
Medical Director	Diane Roston	0.70	\$ 124,222.00	\$ 48,307.46	39%
Chief Operations Officer	Cynthia Twombly	1.00	\$ 79,999.00	\$ 31,110.02	39%

Subject: Mental Health Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health		1.4 Contractor Address 111 Church Street Laconia, NH 03246	
1.5 Contractor Phone Number 603-524-1100	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$361,886
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature <i>Margaret M Pritchard</i>		1.12 Name and Title of Contractor Signatory <i>Margaret M Pritchard Executive Director</i>	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Belknap</u> On <u>6/3/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] <i>[Signature]</i>			
1.13.2 Name and Title of Notary or Justice of the Peace RESA M. POTTER-BROWN, Notary Public My Commission Expires September 17, 2019			
1.14 State Agency Signature <i>Kathleen A Dunn</i>		1.15 Name and Title of State Agency Signatory <i>Kathleen A Dunn Associate Commissioner</i>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>Mary Megan A. Yedo</i> Attorney On: <i>4/30/15</i>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: mp
Date: 6/3/15

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.



I. SERVICES

- A.** The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B.** Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C.** The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A.** The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B.** In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1.** Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2.** Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a.** Employed to develop an individualized, person-centered treatment plan;
 - b.** Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c.** Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3.** Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4.** The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
 - 1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 - 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 - 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (AP RTP).

Contractor Initials: mp
Date: 10/31/15



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. **Days of Cash on Hand:**

- a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.



- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A.** The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B.** In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A.** The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer



specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or
 - d. Staff training for collecting new data elements.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



2. Costs associated with developing other BBH-requested data reporting system.
 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 1. Gym Membership;
 2. In SHAPE (includes gym membership);
 3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).



- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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Exhibit A - Scope of Work



4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. REFUGEE INTERPRETER SERVICES

General funds shall be used to provide language interpreter services for eligible uninsured, non-English speaking refugees receiving community mental health services through the mental health provider. This Contractor was chosen to receive these funds because it is located in one of the primary refugee resettlement areas in New Hampshire.

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.

- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
- a. The vendor shall directly bill the other insurance or payors.

G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Div. for Children Youth and Families (DCYF) Consultation	1,770
Refugee Interpreter Services	5,000
Emergency Services	47,085
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	83,987
Assertive Community Treatment Team (ACT)	201,244
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$361,886

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
- a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Department approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. **Emergency Services:** The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. **Division for Children, Youth, and Families (DCYF) Consultation:** The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. **Military Culture/Awareness Initiative:** The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 3 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:

 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:

 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.

 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:

 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.

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- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
- 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
 - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
 - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5. In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1. The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2. The consideration, if any, to be paid;
 - 22.5.3. The use to which the transferred property is to be put by the transferee;
 - 22.5.4. The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5. Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6. DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7. In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8. In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9. Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10. The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11. The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

Contractor Name: THE LAKES REGION MENTAL
HEALTH CENTER, INC. DBA GENESIS BEHAVIORAL HEALTH

Margaret M Pritchard

Name: Margaret M Pritchard
Title: Executive Director

6/3/15
Date



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: *THE LAKES REGION MENTAL HEALTH CENTER, INC. DBA GENESIS BEHAVIORAL HEALTH*

6/3/15
Date

Margaret M. Pritchard
Name: *Margaret M Pritchard*
Title: *Executive Director*



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

The Contractor 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 (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.

6/3/15
Date

Contractor Name: *THE LAKES REGION MENTAL HEALTH CENTER, INC. DBA GENESIS BEHAVIORAL HEALTH*
Margaret M Pritchard
Name: *Margaret M Pritchard*
Title: *Executive Director*



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

The Contractor 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:

Contractor 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

Contractor Initials

mp

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

Date

6/3/15

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

Contractor Name: *THE LAKES REGION MENTAL HEALTH CENTER, INC. DBA GENESIS BEHAVIORAL HEALTH*

Margaret M Pritchard

Name: *Margaret M Pritchard*
Title: *Executive Director*

6/3/15
Date

Exhibit G

Contractor Initials MP

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

Date 6/3/15



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 Contractor 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 Contractor 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.

Contractor Name: *THE LAKES REGION MENTAL HEALTH CENTER, FNL DBAGENESIS BEHAVIORAL HEALTH*

Margaret M Pritchard

Name: *Margaret M Pritchard*
Title: *Executive Director*

6/3/15

Date



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

MD

4/3/15



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.

THE LAKE REGION MENTAL HEALTH CENTER
DBA GENESIS BEHAVIORAL HEALTH

NH Dept of Health & Human Services
The State

Kathleen Glavin
Signature of Authorized Representative

Kathleen A Dunn
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6/4/15
Date

Name of the Contractor

Margaret M Pritchard
Signature of Authorized Representative

Margaret M Pritchard
Name of Authorized Representative

Executive Director
Title of Authorized Representative

June 3, 2015
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: *THE LAKES REGION MENTAL HEALTH CENTER
INC DBA GENESIS BEHAVIORAL HEALTH*

Margaret M Pritchard

Name: *Margaret M Pritchard*
Title: *Executive Director*

6/3/15

Date



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: 1014 10652
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:

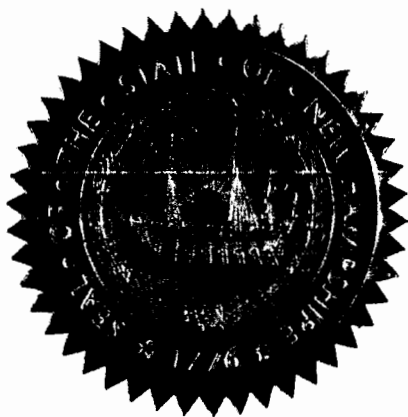
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 THE LAKES REGION MENTAL HEALTH CENTER, INC is a New Hampshire nonprofit corporation formed July 14, 1969. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 7th day of April, A.D. 2015

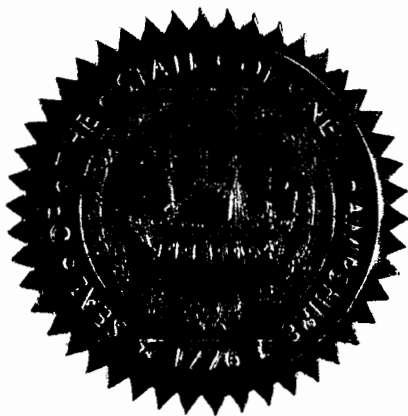
A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

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 GENESIS BEHAVIORAL HEALTH is a New Hampshire trade name registered on May 26, 2000 and that THE LAKES REGION MENTAL HEALTH CENTER, INC presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Susan L. Stearns, do hereby certify that:

1. I am the duly elected Clerk of The Lakes Region Mental Health Center, Inc.
DBA Genesis Behavioral Health
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on June 3, 2015.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

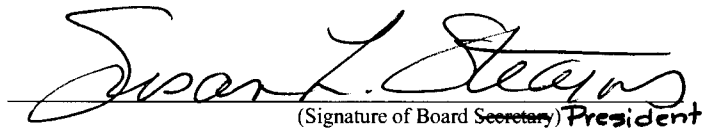
To Provide: Mental Health Services

RESOLVED: That the Executive Director hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of **June 3, 2015**.

4. **(Margaret M. Pritchard** is duly elected **Executive Director** of the Corporation.

(Seal)
(Corporation)


(Signature of Board Secretary) **President**

State of **New Hampshire**

County of **Belknap**

The foregoing instrument was acknowledged before me this **3rd** day of **June, 2015**)

by **Susan L Stearns.**



Name: **(Teresa M. Potter-Brown**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: **September 17, 2019**

TERESA M. POTTER-BROWN, Notary Public
My Commission Expires September 17, 2019

Client#: 525807

GENESBEH

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/03/2015

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: USI Insurance Services LLC, 5 Bedford Farms Drive, Ste 200, Bedford, NH 03110, 603 625-1100. CONTACT NAME: USI Insurance Services LLC, PHONE (A/C, No, Ext): 603 625-1100, FAX (A/C, No):. INSURER(S) AFFORDING COVERAGE: INSURER A: Ace American Insurance Company, NAIC #: 22667; INSURER B: AIM Mutual Insurance Company, NAIC #: 33758.

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 SUBR INSR, WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include General Liability, Automobile Liability, Umbrella Liability, Workers Compensation and Employers' Liability, and Professional.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) This certificate covers all operations usual and customary to the Insured's business.

CERTIFICATE HOLDER: Bureau of Behavioral Health, Attn: S.Lawrence; Contract Management, 105 Pleasant St, Main Bldg., Rm214, 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: E. Gould



*The mission of Genesis Behavioral Health is to provide direct services that enhance the emotional and mental health of our communities.
(Revised June 2009)*

Our Vision

Genesis Behavioral Health is the leading health care provider recognized for its excellence in delivering accessible, quality mental health care and support in our communities.

Our Values

- | | |
|--------------------------|--|
| <u>RESPECT</u> | We conduct our business and provide services with respect and professionalism. |
| <u>ADVOCATE</u> | We advocate for those we serve through enhanced collaborations, community relations and political action. |
| <u>INTEGRITY</u> | We work with integrity and transparency, setting a moral compass for the agency. |
| <u>STEWARDS</u> | We are effective stewards of our resources for our clients and our agency's health. |
| <u>EXCELLENCE</u> | We are committed to excellence in all programming and services. |

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

FINANCIAL STATEMENTS

June 30, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
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June 30, 2014

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

We have audited the accompanying financial statements of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014, and the related statement of activities and cash flows for the year then ended, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
Page 2

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Analysis of Accounts Receivables, the Analysis of BBH Revenues, Receipts & Receivables and schedules of functional public support, revenues and expenses on pages 11-14 are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

A handwritten signature in black ink that reads "Kittell Branagan & Synt". The signature is written in a cursive, flowing style with a long horizontal line extending from the end.

St. Albans, Vermont
August 28, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS

CURRENT ASSETS

Cash	\$ 244,521
Investments	1,226,817
Accounts receivable (net of \$508,000 allowance)	1,185,882
Prepaid expenses and other current assets	<u>43,865</u>

TOTAL CURRENT ASSETS 2,701,085

PROPERTY AND EQUIPMENT - NET 1,379,226

OTHER ASSETS

Restricted cash	<u>47,448</u>
-----------------	---------------

TOTAL ASSETS \$ 4,127,759

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 187,606
Current portion--long-term debt	44,994
Line of credit	649,863
Deferred income	21,612
Accrued vacation	276,071
Accrued expenses	<u>267,291</u>

TOTAL CURRENT LIABILITIES 1,447,437

LONG-TERM DEBT, less current portion 462,631

TOTAL LIABILITIES 1,910,068

NET ASSETS

Temporarily restricted	34,687
Unrestricted	<u>2,183,004</u>

TOTAL NET ASSETS 2,217,691

TOTAL LIABILITIES AND NET ASSETS \$ 4,127,759

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

	<u>Unrestricted Funds</u>	<u>Temporarily Restricted Funds</u>	<u>All Funds</u>
PUBLIC SUPPORT AND REVENUES			
Public support -			
Federal	\$ 378,910	\$ -	\$ 378,910
State of New Hampshire - DBH	264,117	-	264,117
Other public support	<u>250,229</u>	<u>-</u>	<u>250,229</u>
Total Public Support	<u>893,255</u>	<u>-</u>	<u>893,255</u>
Revenues -			
Program service fees	9,079,446	-	9,079,446
Rental income	62,328	-	62,328
Other revenue	35,084	5,000	40,084
Net assets released from restriction	<u>12,802</u>	<u>(12,802)</u>	<u>-</u>
Total Revenues	<u>9,189,660</u>	<u>(7,802)</u>	<u>9,181,858</u>
 TOTAL PUBLIC SUPPORT AND REVENUES	 <u>10,082,915</u>	 <u>(7,802)</u>	 <u>10,075,113</u>
EXPENSES			
BBH funded program services -			
Children Services	2,899,333	-	2,899,333
Intake	242,202	-	242,202
Multi-service	4,826,511	-	4,826,511
ACT	338,277	-	338,277
Emergency Services	602,408	-	602,408
Housing Services	206,439	-	206,439
Non-Eligible	661,701	-	661,701
Non-BBH funded program services	<u>737,908</u>	<u>-</u>	<u>737,908</u>
TOTAL EXPENSES	<u>10,514,779</u>	<u>-</u>	<u>10,514,779</u>
 DECREASE IN NET ASSETS FROM OPERATIONS	 (431,864)	 (7,802)	 (439,666)
OTHER INCOME AND EXPENSES			
Investment income	<u>257,344</u>	<u>-</u>	<u>257,344</u>
 TOTAL DECREASE IN NET ASSETS	 (174,520)	 (7,802)	 (182,322)
 NET ASSETS, beginning	 <u>2,357,524</u>	 <u>42,489</u>	 <u>2,400,013</u>
 NET ASSETS, ending	 <u>\$ 2,183,004</u>	 <u>\$ 34,687</u>	 <u>\$ 2,217,691</u>

See Notes to Financial Statements.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in net assets	\$ (182,322)
Adjustments to reconcile to net cash provided by operations:	
Depreciation	205,389
Unrealized (gain) on investments	(173,223)
Realized (gain) on investments	(26,101)
(Increase) decrease in:	
Accounts receivable	(179,276)
Prepaid expenses	12,320
Increase (decrease) in:	
Accounts payable & accrued liabilities	58,657
Deferred income	<u>(132,610)</u>

NET CASH (USED) IN OPERATING ACTIVITIES (417,166)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(152,187)
Net investment activity	<u>65,061</u>

NET CASH (USED) IN INVESTING ACTIVITIES (87,126)

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on long-term debt	(43,585)
Net proceeds from line of credit borrowings	<u>556,540</u>

NET CASH PROVIDED BY FINANCING ACTIVITIES 512,955

NET INCREASE IN CASH 8,663

CASH AT BEGINNING OF YEAR 235,858

CASH AT END OF YEAR \$ 244,521

SUPPLEMENTAL DISCLOSURE

Cash Payments for Interest	<u>\$ 48,859</u>
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See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakes Region Mental Health Center, Inc. (the Center) d/b/a Genesis Behavioral Health is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns (Form 990) for the year ended June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Estimated useful lives range from 3 to 40 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payer coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payer programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled \$8,157,860, of which \$7,988,738 was revenue from third-party payers and \$169,122 was revenue from self-pay clients.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payors. The center receives reimbursement from Medicare, Medicaid, Blue Cross, and other third-party insurers at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when recorded. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Temporarily Restricted Funds

Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of the Center for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as released from restrictions when expended for the purpose for which they were given. The earnings from these funds will be used to fund operations. For the year ending June 30, 2014 \$12,802 was released from restrictions.

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payer source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payer source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payers experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center increased its estimated percentage in the allowance for doubtful accounts from 30% to 33%. The allowance for doubtful accounts increased to \$508,000 as of June 30, 2014 from \$372,000 as of June 30, 2013. This was a direct result of total trade accounts receivable increasing to \$1,548,048 as of June 30, 2014 from \$1,237,550 at June 30, 2013.

Advertising

Advertising costs are expensed as incurred. Total costs were \$121,486 at June 30, 2014 and consisted of advertising costs of \$31,558 and recruitment costs of \$89,928.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 2 PROPERTY AND EQUIPMENT

The Center elects to capitalize all purchases with a useful life of greater than one year and a cost of \$1,000 or more. Property and equipment, at cost, consists of the following:

Land, buildings and improvements	\$ 2,528,697
Computer equipment	863,104
Furniture, fixtures and equipment	1,537,242
Vehicles	<u>76,688</u>
	5,005,731
Accumulated depreciation	<u>(3,626,505)</u>
NET BOOK VALUE	<u>\$ 1,379,226</u>

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE

Due from clients	\$ 253,045
Receivable from insurance companies	173,864
Medicaid receivables	888,761
Medicare receivables	<u>232,378</u>
	1,548,048
Allowance for doubtful accounts	<u>(508,000)</u>
Total Receivable - Trade	<u>1,040,048</u>

ACCOUNTS RECEIVABLE – OTHER

Housing Rent	11,564
UNH (IOD)	9,000
HUD	31,675
Grafton County	5,750
LDS	6,350
Belknap County	8,550
Mount Prospect Academy	10,400
Town Appropriations	32,700
NFI North, Inc.	5,875
BBH	17,907
Other Grants	<u>12,413</u>
Total Receivable - Other	<u>145,834</u>

TOTAL ACCOUNTS RECEIVABLE	<u>\$ 1,185,882</u>
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Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 LINE OF CREDIT

As of June 30, 2014, the Center had available a line of credit with an upper limit of \$1,400,000 with a local area bank. At that date, \$649,863 had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 4.5% per annum. This line of credit expires November 27, 2014, and is secured by all business assets.

NOTE 5 COMMITMENTS

The corporation leases real estate and equipment under various operating leases. Minimum future rental payments under non cancelable operating leases as of June 30, 2014 for each of the next four years and in the aggregate are:

<u>June 30,</u>	<u>Amount</u>
2015	\$ 275,825
2016	201,820
2017	136,211
2018	48,095
2019	7,998

Total rent expense for the year ended June 30, 2014, including rent expense for leases with a remaining term of one year or less was \$266,577.

The Center entered into a subscription agreement with a software vendor and is obligated to pay \$5,950 per month through May 31, 2016 in exchange for software subscription services. The amount is included in the above obligations.

NOTE 6 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2014 the total contributions into the plan were \$88,799. Total administrative fees paid into the plan for the year ended June 30, 2014 were \$9,346.

NOTE 7 RESTRICTED CASH

The Center maintains restricted depository accounts. At the balance sheet date the amounts are as follows:

Rural Development *	<u>\$ 47,448</u>
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* Balance will accumulate per loan agreement to \$47,448 at a required monthly deposit of \$395. As of June 30, 2014 this required total had been accumulated and monthly deposits were no longer required.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 8 LONG-TERM DEBT

As of June 30, 2014, long-term debt consisted of the following:

5% mortgage note payable - Rural Development due in monthly aggregate installments of \$3,357 (including principal and interest) secured by land and buildings through May, 2027.	\$ 383,699
5% mortgage note payable - Rural Development due in monthly installments of \$597 (including principal and interest) secured by land and buildings through December, 2030.	79,970
1% note payable - NH Health and Education Facilities due in monthly installments of \$1,709 (including principal and interest) secured by equipment through September, 2016.	<u>43,956</u>
	507,625
Less: Current Portion	<u>(44,994)</u>
	<u>\$ 462,631</u>

Expected maturities for the next five years are as follows:

Year Ending June 30,		
2015	\$	44,994
2016		46,467
2017		30,857
2018		28,838
2019		30,313
Thereafter		<u>326,157</u>
	\$	<u>507,625</u>

NOTE 9 CONTINGENT LIABILITIES

The Center receives money under various State and Federal grants. Under the terms of these grants, the Center is required to use the money within the grant period for purposes specified in the grant proposal and is subject to compliance reviews and audits by the grantor agencies. It is the opinion of management that any liability, resulting from future grantor agency audits of completed grant contracts, would not be material in relation to the overall financial statements.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 10 INVESTMENTS

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2014, the status of these funds were as follows:

	Cost	Unrealized Gain (Loss)	Market
Large Blend	\$ 293,091	\$ 112,263	\$ 405,354
Health	153,212	47,698	200,910
Large Growth	149,090	(287)	148,803
Mid-Cap Value	141,764	80,171	221,935
Short-Term Bond	165,132	84,483	249,615
Cash	200	-	200
	<u>\$ 902,489</u>	<u>\$ 324,328</u>	<u>\$ 1,226,817</u>

The related unrealized gain (losses) have been included in the investment income line on the accompanying statement of activities. Investment income is as follows:

Interest and Dividends	\$ 58,020
Realized Gains	26,101
Unrealized Gains	173,223
	<u>\$ 257,344</u>

NOTE 11 FAIR VALUE MEASUREMENTS

Professional accounting standards require a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under these professional accounting standards are described below:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 11 FAIR VALUE MEASUREMENTS (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 12 CONCENTRATIONS OF CREDIT RISK

The Center maintained cash balances at three financial institutions as of June 30, 2014. Accounts with these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2014, there were no cash balances at either of these institutions greater than the \$250,000 threshold and therefore all balances were fully insured by the FDIC.

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2014 is as follows:

Due from clients	16 %
Insurance companies	11
Medicaid	57
Medicare	<u>15</u>
	<u>100 %</u>

NOTE 13 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 28, 2014, which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2014, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	\$ 249,703	\$ 1,539,776	\$ (1,370,655)	\$ 165,779	\$ 253,045
BLUE CROSS /BLUE SHIELD	54,999	557,698	(252,120)	307,313	53,264
MEDICAID	679,291	11,847,475	(4,892,854)	6,745,151	888,761
MEDICARE	167,610	1,335,961	(861,180)	410,013	232,378
OTHER INSURANCE	85,947	613,243	(357,360)	221,230	120,600
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(372,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(508,000)</u>
TOTAL	<u>\$ 865,550</u>	<u>\$ 15,894,153</u>	<u>\$ (7,734,169)</u>	<u>\$ 7,849,486</u>	<u>\$ 1,040,048</u>

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2014

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2014	\$ -	\$ 264,117	\$ (264,117)	\$ -

Analysis of Receipts Date of Receipt Deposit Date	Amount
07/23/13	\$ 18,186
09/03/13	9,093
09/03/13	1,575
09/27/13	9,093
09/27/13	1,530
10/24/13	9,093
11/04/13	810
11/20/13	9,093
11/20/13	1,085
12/11/13	44,529
12/26/13	9,093
01/22/14	9,093
02/21/14	80,849
02/28/14	9,093
04/02/14	9,093
04/04/14	24,622
04/29/14	9,093
06/02/14	9,094
Less: Federal Monies	-
	<u>\$ 264,117</u>

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

	Total Agency	Admin.	Total Programs	Children
Program Service Fees:				
Net Client Fee	\$ 169,122	\$ -	\$ 169,122	\$ 6,829
Blue Cross/Blue Shield	305,578	-	305,578	54,120
Medicaid	6,954,621	-	6,954,621	3,409,406
Medicare	474,781	-	474,781	-
Other Insurance	253,758	-	253,758	21,929
Program Sales:				
Service	921,585	-	921,585	13,290
Public Support - Other:				
United Way	1,216	1,216	-	-
Local/County Government	161,720	-	161,720	-
Donations/Contributions	77,540	64,540	13,000	10,400
Bureau Development	966	-	966	-
Other Public Support	7,017	2,075	4,942	3,261
DCYF	1,770	-	1,770	1,770
Federal Funding:				
HUD Grant	144,192	-	144,192	-
Other Federal Grants	234,718	-	234,718	31,015
Rental Income	62,328	-	62,328	-
Investment Income	-	-	-	-
DBH & DS:				
Community Mental Health	264,117	-	264,117	-
Other Revenues	35,084	3,777	31,307	8,191
Net Assets Released From Restriction	12,802	-	12,802	3,074
	10,082,915	71,608	10,011,307	3,563,285
Administration	0	(71,608)	71,608	25,487
TOTAL PUBLIC SUPPORT AND REVENUES	\$ 10,082,915	\$ 0	\$ 10,082,915	\$ 3,588,772

Multi-Service	ACT	Intake	Emergency Services	Housing Services		Non Eligible	Non BBH Funded Programs
				Apts. S.L. McGrath	Apts. S.L. Summer		
\$ 72,832	\$ 2,591	\$ 9,655	\$ 7,158	\$ -	\$ -	\$ 70,057	\$ -
60,741	-	31,312	21,151	-	-	138,254	-
3,012,276	222,599	86,599	125,301	-	-	98,440	-
349,229	7,338	13,047	3,250	-	-	101,917	-
70,748	-	25,938	9,001	-	-	126,142	-
29,635	400	-	-	-	-	7,555	870,705
-	-	-	-	-	-	-	-
-	-	-	104,520	-	-	57,200	-
-	-	-	-	-	-	-	2,600
966	-	-	-	-	-	-	-
1,222	114	37	159	-	-	149	-
-	-	-	-	-	-	-	-
-	-	-	-	42,154	102,038	-	-
199,761	3,233	13	40	-	-	656	-
-	-	-	-	34,757	27,571	-	-
-	-	-	-	-	-	-	-
5,000	150,000	-	109,117	-	-	-	-
15,114	255	380	1,334	-	2,419	1,633	1,981
8,762	-	-	966	-	-	-	-
<u>3,826,286</u>	<u>386,530</u>	<u>166,981</u>	<u>381,997</u>	<u>76,911</u>	<u>132,028</u>	<u>602,003</u>	<u>875,286</u>
<u>27,368</u>	<u>2,765</u>	<u>1,194</u>	<u>2,733</u>	<u>550</u>	<u>944</u>	<u>4,306</u>	<u>6,261</u>
<u>\$ 3,853,654</u>	<u>\$ 389,295</u>	<u>\$ 168,175</u>	<u>\$ 384,730</u>	<u>\$ 77,461</u>	<u>\$ 132,972</u>	<u>\$ 606,309</u>	<u>\$ 881,547</u>

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014

	<u>Total Agency</u>	<u>Administration</u>	<u>Total Programs</u>	<u>Children</u>
Personnel Costs:				
Salary and wages	\$ 6,575,286	\$ 553,161	\$ 6,022,125	\$ 1,644,270
Employee benefits	1,489,188	159,131	1,330,057	361,237
Payroll Taxes	456,618	37,964	418,654	114,315
Substitute Staff	217,398	-	217,398	2,964
Client Evaluation/Services	679	-	679	579
PROFESSIONAL FEES AND CONSULTANTS:				
Accounting/audit fees	32,575	32,575	-	-
Legal fees	17,396	-	17,396	5,440
Other professional fees	28,621	22,069	6,552	1,122
Staff Devel. & Training:				
Journals & publications	5,451	369	5,082	1,525
In-Service training	3,941	-	3,941	1,195
Conferences & conventions	34,484	1,545	32,939	12,130
Other staff development	15,820	2,579	13,241	7,780
Occupancy costs:				
Rent	105,201	8,776	96,425	40,800
Mortgage (Interest)	24,375	2,681	21,694	6,638
Heating Costs	33,000	618	32,382	3,812
Other Utilities	81,165	4,180	76,985	19,987
Maintenance & repairs	124,558	9,462	115,096	29,060
Consumable Supplies:				
Office	39,117	2,986	36,131	11,256
Building/household	23,535	-	23,535	6,071
Medical	-	-	-	-
Other	96,856	9,180	87,676	27,508
Depreciation-Equipment	118,470	8,689	109,781	28,514
Depreciation-Building	86,919	4,710	82,209	15,595
Equipment rental	18,396	1,346	17,050	5,093
Equipment maintenance	34,743	996	33,747	10,569
Advertising	121,487	6,992	114,495	62,904
Printing	-	-	-	-
Telephone/communications	251,852	10,483	241,369	72,407
Postage/shipping	25,440	234	25,206	9,432
Transportation:				
Staff	193,744	1,772	191,972	75,830
Clients	35,918	-	35,918	85
Assist to Individuals:				
Client services	71,579	-	71,579	43,714
Insurance:				
Malpractice/bonding	31,099	8,699	22,400	5,652
Vehicles	2,020	65	1,955	301
Comp. Property/liability	22,908	1,372	21,536	4,970
Membership Dues	22,972	890	22,082	132
Other Expenditures	47,487	35,841	11,646	3,433
Interest Expense	24,483	24,483	-	-
	<u>10,514,780</u>	<u>953,848</u>	<u>9,560,932</u>	<u>2,636,320</u>
Admin. Allocation	-	(953,848)	953,848	263,013
TOTAL PROGRAM EXPENSES	<u>\$ 10,514,780</u>	<u>\$ 0</u>	<u>\$ 10,514,779</u>	<u>\$ 2,899,333</u>

Multi-Service	ACT	Intake	Emergency Services	Housing Services		Non-Eligible	Non BBH Funded Programs
				Apts. S.L. McGrath	Apts. S.L. Summer		
\$ 2,726,067	\$ 198,178	\$ 159,064	\$ 363,200	\$ 14,552	\$ 34,890	\$ 416,365	\$ 465,539
607,550	47,039	32,666	84,571	3,496	8,393	84,818	100,287
194,381	13,996	10,863	25,353	1,031	2,472	28,857	27,386
155,054	1,748	528	7,343	-	-	19,518	30,243
100	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,024	624	265	1,053	-	-	990	-
1,941	124	97	236	-	-	229	2,803
2,803	182	61	235	-	-	276	-
2,059	165	67	228	-	-	227	-
18,780	502	104	981	-	-	442	-
3,873	4	1	1,374	-	-	209	-
47,107	437	1,856	1,047	-	-	5,178	-
12,655	1,096	259	159	-	-	887	-
7,053	678	127	183	11,307	8,687	535	-
30,893	1,967	835	298	11,858	8,626	2,521	-
49,641	3,497	1,195	1,449	6,455	19,821	3,978	-
19,464	1,318	528	1,595	-	-	1,970	-
9,384	605	287	956	1,453	3,712	1,067	-
-	-	-	-	-	-	-	-
45,023	3,257	1,404	5,259	-	-	5,225	-
55,764	3,595	2,441	7,006	1,471	5,200	5,790	-
25,354	1,744	1,117	553	12,823	22,922	2,101	-
8,088	593	303	1,737	-	-	1,236	-
16,906	1,224	520	1,874	149	557	1,948	-
27,096	1,955	1,003	3,218	-	-	3,119	15,200
-	-	-	-	-	-	-	-
114,320	6,820	2,848	33,014	390	762	8,891	1,917
12,607	544	436	764	-	-	1,423	-
98,451	12,310	209	2,051	-	-	1,349	1,772
35,787	13	3	15	-	-	15	-
27,679	186	-	-	-	-	-	-
8,100	2,074	741	751	-	-	1,016	4,066
1,265	32	14	35	130	130	48	-
8,680	688	235	692	2,739	2,686	846	-
153	6	6	9	-	-	20	21,756
5,572	391	148	521	-	1,000	581	-
-	-	-	-	-	-	-	-
4,388,674	307,591	220,231	547,760	67,854	119,858	601,675	670,969
437,837	30,687	21,971	54,648	6,769	11,958	60,026	66,939
<u>\$ 4,826,511</u>	<u>\$ 338,277</u>	<u>\$ 242,202</u>	<u>\$ 602,408</u>	<u>\$ 74,623</u>	<u>\$ 131,816</u>	<u>\$ 661,701</u>	<u>\$ 737,908</u>

**The Lakes Region Mental Health Center, Inc.
DBA GENESIS Behavioral Health**

Board of Directors

October 30, 2014

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Susan Stearns**

**VICE PRESIDENT
Deborah Pendergast**

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Kim Sperry

Cinde Warmington

Kelley White, MD

Margaret M. Pritchard

Objective: Administer programs which assist disabled people in obtaining or maintaining quality independent life

Experience: Current Genesis Behavioral Health Laconia, NH

Executive Director

2004-2007 Community Partners Dover, NH

Chief Operating Officer, Behavioral Health & Developmental Services of Strafford County, Inc.

- Oversee day-to-day operations of this non-profit company
- Establish and monitor revenue projections for approximately 17 million dollars worth of business
- Supervise all clinical directors of programs
- Participate in all board meetings and prepares monthly reports for presentation to the board
- Implemented and maintains a cohesive corporate identity between two previously separate corporations
- Serves on Division committees as needed
- Acting CEO on an as-needed basis
- Advocates politically for the corporation

2001-2004 Community Partners Dover, NH

Chief Operating Officer, Behavioral Health Division

- Responsible for incorporating 7 million dollar CMHC operations into an existing developmental services agency as a result of the closing of Strafford Guidance Center

2000-2001 Genesis Behavioral Health Laconia, NH

Director, Clinical Operations

- Established multidisciplinary teams and set standards of care
- Monitored various contractor agreements
- Established revenue projections for 5.2 million dollar operations
- Served on both internal and external organization committees

1994-2000 Riverbend CMHC Concord, NH

Director, Community Support Program

- Hire, fire and supervise middle managers and direct care staff (approx 100 staff)
- Established productivity expectations consistent with budget target of approx 4 million dollars
- Monitored and implemented quality assurance standards to satisfy regulators including NH DBH, Medicaid, Medicare, NHHFA, etc
- Developed policies and procedures
- Established and ensured a full range of services for people with psychiatric disabilities

1992-1994 The Mental Health Center Manchester, NH

Director, Emergency Services

- Managed the 24-hour psychiatric assessments and emergency care Supervised, recruited and trained personnel internal and external to the department
- Liaison to local police hospitals, homeless shelters and refugee center

Emergency Service Clinician

- Provided crisis intervention, assessments and emergency care to people in acute distress

1987-1989 Community Council Nashua, NH

Director, Community Education

- Developed and implemented agency-wide staff development plan
- Submitted grants and responded to RFPs for special projects that assisted the agency in promoting education and prevention services

1986-1989 NE Non-profit Housing Manchester, NH

Social Worker Property management and general contractor for CDBH/"Mod Rehab" housing projects

- Screened individuals and families for housing assistance through Section 8 and other subsidy programs
- Co-authored HUD grant for 2.5 million dollars for "Women in Transition"
- Conducted housing inspections and worked with code department and local authority to assure compliance standards

1986 Region IV Agency Concord, NH

Case Manager

- Developed and monitored treatment plans for 25 developmentally disabled adults

1982-1985 The Mental Health Center Manchester, NH

Manager: Criscare Care Unit/SRO/Respite Care/Shared Apartment Program

- Supervised and trained direct care staff in implementing treatment related to independent living skills and community-based living
- Screened and assessed clients for appropriate services and placement.
- Liaison with local housing authority and police

Residential Staff

- Wrote and implemented residential service plans for 40 psychiatrically disabled adults.

Education: 1998-2000 New England College Henniker, NH

- MS Community Mental Health Counseling

1977-1981 SUNY Brockport Brockport, NY

- BS Social Work

Interests: 1989-Present

Granite State Critical Incident Street Management Team-Coordinator

KEY ADMINISTRATIVE PERSONNEL - FY2016

GENESIS BEHAVIORAL HEALTH

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Maggie Pritchard	1.00	\$ 110,000.00	\$ 44,524.27	40%
Chief Financial Officer	Eugene Friedman	1.00	\$ 82,870.00	\$ 33,542.97	40%
Medical Director	Vladmir Jenlov	1.00	\$ 245,000.00	\$ 99,167.70	40%
Chief Operations Officer	Celia Gibbs	1.00	\$ -	\$ -	#DIV/0!





Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Riverbend Community Mental Health, Inc.		1.4 Contractor Address 3 North Main Street PO Box 2032 Concord, NH 03302-2032	
1.5 Contractor Phone Number 603-226-7505	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$441,282.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Peter Evers, President/CEO	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Merrimack</u> On <u>6/20/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace SUSAN J CUMMINS - EXECUTIVE ASSISTANT			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. York, Attorney On: 6/8/15			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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: PK
Date: 6/2/15

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

- 14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and
- 14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: PK
Date: 6/21/13

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



V. **COORDINATION WITH PRIMARY CARE PROVIDER**

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. **TRANSITION OF CARE**

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. **APPLICATION FOR OTHER SERVICES**

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. **COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS**

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. **MAINTENANCE OF FISCAL INTEGRITY**

A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. **Days of Cash on Hand:**

- a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.

New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
 - D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
 - E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor's cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.
- X. **REPORTING REQUIREMENTS**
- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
 - B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
 - C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten



(10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);

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- c. Software and/or training purchased to improve Phoenix data collection; or
- d. Staff training for collecting new data elements.
- 2. Costs associated with developing other BBH-requested data reporting system.
- 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
 - 1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 - 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 - 1. Gym Membership;
 - 2. In SHAPE (includes gym membership);
 - 3. Weight Watchers; and
 - 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).

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- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.



- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use



disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.

- B. At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C. The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D. The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E. The Contractor shall comply with all reporting requirements under the PATH Grant.
- F. The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G. As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

XXV. CHILDREN'S ACT TEAM WRAPAROUND

- A. The Contractor shall establish/maintain a Children's ACT team providing a specialized multidisciplinary that provides an intensive community based services for children and families living with serious emotional disturbance (SED). These intensive services include multiple visits to the child and family in settings that most effectively meet their needs, and can be as frequent as daily. They may take place at the child's school, home or other community settings. The team is responsible for directly providing a full array of services as defined in He-M 426, and delivered, within the context of a community wraparound team which places the child and the family at the center of treatment decisions. Services defined include:
 - 1. Functional Support Services (FSS);
 - 2. Individual and Family Therapy;
 - 3. Medication Services;
 - 4. Targeted Case Management (TCM) Services; and



- B.** Children's ACT team services are intended for children and adolescents who meet State eligibility criteria for Serious Emotional Disturbance (SED) or Serious Emotional Disturbance with Interagency Involvement (SED-IA), as defined in Administrative Rule He-M 401. In addition, children and adolescents served by the ACT team can also present with difficulties successfully engaging in traditional treatment programs, and can present with challenging and complex treatment needs that have frequently not responded to prior treatment interventions. Children who are prioritized for ACT team services also have a history of multiple psychiatric hospitalizations, and/or frequent visits to hospital emergency departments for psychiatric crisis, and present with ongoing difficulties at school, and/or multiple interactions with law enforcement.
- C.** Children's ACT teams shall be comprised of nursing staff, a psychiatrist, case managers, functional support specialists, and master's level clinicians. Clinician ratio to individuals served is 1:10, no more than 1:15. The team has extended evening hours that are most conducive to the needs of the child and the family. The team is set up to either:
1. Directly provides Emergency Services on call, twenty-four (24) hours a day for individuals served by the team; or
 2. Has a well-articulated plan to ensure the CMHC Emergency Services team is informed of the needs of any individual served by the team, is updated on pertinent changes in status, and has available to them a well-articulated crisis plan should the family request services after hours.
- D.** The Contractor shall notify DHHS when not in compliance with the staffing pattern or programmatic model listed in this section, and shall submit a corrective action plan.

XXVI. REFUGEE INTERPRETER SERVICES

General funds shall be used to provide language interpreter services for eligible uninsured, non-English speaking refugees receiving community mental health services through the mental health provider. This Contractor was chosen to receive these funds because it is located in one of the primary refugee resettlement areas in New Hampshire.

XXVII. STATEWIDE MILITARY LIAISON

- A.** The Contractor will provide a statewide military liaison whose duties shall include, but not be limited to:
1. Serving as a resource on military issues for all CMHCs.
 2. Acting as a consultant and providing ongoing guidance, education, and support to CMHC military liaisons and staff.
 3. Providing education to VA, Vet Center, Care Coordination staff, and military medical staff on CMHCs.
 4. Providing guidance to CMHCs regarding referrals and navigation of both military and civilian providers and services.
 5. Providing education to CMHC staff regarding "Fitness for Duty" issues with currently serving Service Members. Act as liaison, as needed, when Active Duty, National Guard, or Reserve members are interacting with CMHCs.

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6. Encouraging CMHCs to become TriCare providers and to become credentialed to accept Veterans' Access Choice Cards.
 7. Planning and coordinating 2-hour monthly conference calls with CMHC liaisons. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members and families who receive care at the CMHCs.
 8. Making site visits to CMHCs as needed.
 9. Supporting military-civilian community partnership meetings, to include (but not be limited to): Military & Civilian Alcohol and Drug Committee, Commission on PTSD and TBI, Suicide Prevention Council - Military Subcommittee, Statewide Military Homeless Committee, North Country Veterans Committee, Seacoast Veterans Committee, Community Partners Meeting, and others.
- B. The Contractor will obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.
- C. The Contractor's statewide military liaison will provide services as defined in Section A and B above, for eight (8) hours per week.

Region 4 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

- A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
- B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.150
Federal Agency: U.S. Department of Health and Human Services
Program Title: Projects for Assistance in Transition from Homelessness (PATH) PL 101-645
FAIN: SM016030-14

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

- C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731
6. 05-95-49-490510-2985-102-500731

- D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
- E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.
- F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:
 - a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
 - b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.

G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Homeless and Housing Federal Grant	36,250
Div. for Children Youth and Families (DCYF) Consultation	1,770
Refugee Interpreter Services	5,000
Assertive Community Treatment Team (ACT)	301,244
Emergency Services	3,854
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	35,364
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative/Statewide Military Liaison	52,800
Total	\$441,282

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Department approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.

3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.
7. Statewide Military Liaison Services: The Contractor shall be reimbursed at a rate of \$75 per hour for a total of (8) hours per week.

Region 4 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
 - 8.1. Fiscal Records: books, records, documents and other 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 during the Contract Period, said records to 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 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.
 - 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
 - 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
 - 9.1. Audit and Review: 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.
 - 9.2. Audit Liabilities: 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services:** Disallowance of Costs: 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.
13. **Credits:** 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:
 - 13.1. 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.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

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- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8. The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
3. Add the following regarding "Contractor Name" to Paragraph 1.:
 - 1.3.1. The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
4. Add the following regarding "Personnel" to Paragraph 7.:
 - 7.4. Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5. No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
 - 7.5.1. Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2. Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3. All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
6. Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
 - 8.1. Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
 - 8.1.1. Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2. Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5. The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1. The Contractor shall submit the following fiscal reports:
- 9.5.1.1. The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.2. The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.3. On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2. The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3. For required federal reports, the Contractor shall:
- 9.5.3.1. Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2. Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
- 9.5.3.3. Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4. The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
11. Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.

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- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
- 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
- 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.

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13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

Contractor Name: Riverbend Community Mental Health, Inc.

6/2/15
Date


Name: Peter Evers
Title: President/CEO



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: Riverbend Community Mental Health, Inc.

Name: Peter Evers
Title: President / CEO

6/2/15
Date



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

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Order 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.

6/2/15
Date

Contractor Name: Riverbend Community Mental Health, Inc.

Name: Peter Evers
Title: President/CEO



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

The Contractor 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:

Contractor 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

Contractor Initials

AE

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

Contractor Name: Riverbend Community Mental Health, Inc.

6/2/15
Date

[Signature]
Name: Deter Evers
Title: President/CEO

Exhibit G

Contractor Initials DE

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 Contractor 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 Contractor 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.

Contractor Name: Riverbend Community Mental Health, Inc.

Name: Peter Evers
Title: President/CEO

6/2/15
Date



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

PE

6/2/15



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.

NH Dept. of Health & Human Svs
The State

Kathleen A Dunn
Signature of Authorized Representative

Kathleen A Dunn
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6/4/15
Date

Riverbend Community Mental Health, Inc.
Name of the Contractor

[Signature]
Signature of Authorized Representative

Peter Evers
Name of Authorized Representative

President/CEO
Title of Authorized Representative

6/2/15
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: Riverbend Community Mental Health, Inc.

6/2/15
Date


Name: Peter EVERS
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: 08-125-8915
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:

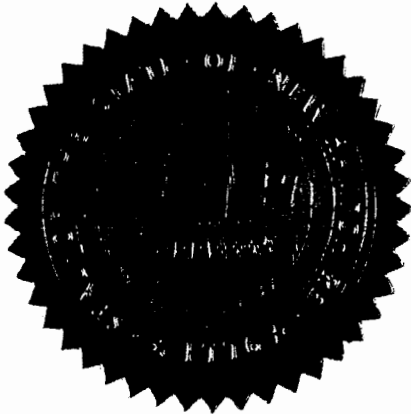
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 RIVERBEND COMMUNITY MENTAL HEALTH, INC. is a New Hampshire nonprofit corporation formed March 25, 1966. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 1st day of April, A.D. 2015

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, **John Duval**, do hereby certify that:

1. I am the duly elected ~~Assistant~~ Board Secretary of **Riverbend Community Mental Health, Inc.**
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on **February 26, 2015.**

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services.**

RESOLVED: That the **President and or Treasurer** hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 2, 2015.
4. Peter Evers/Allan M. Moses is duly elected President/Treasurer of the Corporation.

(Seal)
(Corporation)



(Signature of Assistant Secretary)

State of New Hampshire

County of Merrimack

The foregoing instrument was acknowledged before me this 2nd day of June, 2015

John Duval

by Mary Lee Carley.



Name: **Andrea D. Covell**

Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires:



Client#: 5849

RIVERBEN

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/23/2014

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 William Gallagher Associates Insurance Brokers, Inc. 470 Atlantic Avenue Boston, MA 02210	CONTACT NAME: PHONE (A/C, No, Ext): 617 261-6700 FAX (A/C, No): 617 261-6720	
	E-MAIL ADDRESS:	
INSURED Riverbend Community Mental Health, Inc. PO Box 2032 Concord, NH 03302	INSURER(S) AFFORDING COVERAGE NAIC #	
	INSURER A: Lexington Insurance Company 19437	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

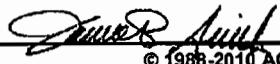
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE 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	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> \$10,000 Deductible Each Claim GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			6797620	01/01/2015	01/01/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$50,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$1,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						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 \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Hospital Professional & Physicans Liab			6797620	01/01/2015	01/01/2016	\$1,000,000 Each Claim \$3,000,000 Aggregate Claims-made Coverage \$10k Deductible

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Evidence of current liability coverage for the insured. Hospital professional liability retro date:
 6/24/1985

CERTIFICATE HOLDER

CANCELLATION

State of New Hampshire 105 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 
--	---

Client#: 29987

RIVER1

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/23/2014

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 Davis Towle Morrill & Everett 115 Airport Road P O Box 1260 Concord, NH 03302-1260	CONTACT NAME: PHONE (A/C, No, Ext): 603 225-6611 FAX (A/C, No): 603-225-7935	
	E-MAIL ADDRESS: _____	
INSURED Riverbend Community Mental Health Inc c/o Angela Greene PO Box 2032 Concord, NH 03302	INSURER(S) AFFORDING COVERAGE NAIC #	
	INSURER A : A.I.M. Mutual Insurance Co.	
	INSURER B :	
	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	
	GENERAL LIABILITY <input type="checkbox"/> 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"/> PRO-JECT <input type="checkbox"/> LOC						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"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED 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 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			ECC60040001272014	10/01/2014	10/01/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER 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 (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER State of New Hampshire Dept of Health & Human Services Bureau of Behavioral Health 105 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 

FIAI INC
 1100 ELM ST
 MANCHESTER, NH 03101
 1-603-669-3218

PROGRESSIVE®

Policy number: 03301076-0

Underwritten by:
 UNITED FINANCIAL CASUALTY COMPANY
 December 22, 2014
 Page 1 of 2

Certificate of Insurance

Certificate Holder	Insured	Agent
BUREAU OF BEHAVIORAL HEALTH 105 PLEASANT STREET CONCORD, NH 03301	RIVERBEND COMMUNITY MENTAL HEALTH, INC. 3 NO STATE STREET CONCORD, NH 03302	FIAI INC 1100 ELM ST MANCHESTER, NH 03101

This certificate of insurance is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage, terms, exclusions, and conditions afforded by the policy or policies referenced herein.

Policy Effective Date: Oct 1, 2014	Policy Expiration Date: Oct 1, 2015
Insurance coverage(s)	Limits
BODILY INJURY/PROPERTY DAMAGE	\$1,000,000 COMBINED SINGLE LIMIT
UNINSURED/UNDERINSURED MOTORIST BODILY INJURY	\$1,000,000 COMBINED SINGLE LIMIT

Description of Location/Vehicles/Special Items

Scheduled autos only			
2011 FORD ECONO/CLUB WGN 1FBSS3BL6BDA20958		Stated Amount	\$25,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
2013 FORD E350 SUPER DUTY 1FDEE3FS1DDA09351		Stated Amount	\$55,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
2013 FORD E350 SUPER DUTY 1FDEE3FSXDDA09350		Stated Amount	\$55,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
2009 FORD E450 SUPER DUTY 1FDPE45S79DA03184		Stated Amount	\$35,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
2004 FORD E350 SUPER DUTY 1FDWE35L44HA86187		Stated Amount	\$15,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
2010 DODGE GRAND CARAVAN 2D4RN3D16AR489768			
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		

.....			
2011 TOYOTA SIENNA 5TDZK3DC3B5048938			
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
.....			
2012 MAZDA 5 JM1CW2BL8C0107753		Stated Amount	\$18,000
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		
.....			
2014 TOYOTA SIENNA 5TDK3DC0E5524097			
MEDICAL PAYMENTS	\$5,000		
COMPREHENSIVE	\$500 DED		
COLLISION	\$1,000 DED		

Certificate number

35614NET076

Please be advised that the certificate holder will not be notified in the event of a mid-term cancellation.



Riverbend Community Mental Health, Inc.

Mission

We care for the mental health of our community.

Vision

- We provide responsive, accessible, and effective mental health services.
- We seek to sustain mental health and promote wellness.
- We work as partners with consumers and families.
- We view recovery and resiliency as an on-going process in which choice, education, advocacy, and hope are key elements.
- We are fiscally prudent and work to ensure that necessary resources are available to support our work, now and in the future.

Values

- We value diversity and see it as essential to our success.
- We value staff and their outstanding commitment and compassion for those we serve.
- We value quality and strive to continuously improve our services by incorporating feedback from consumers, families and community stakeholders.
- We value community partnerships as a way to increase connections and resources that help consumers and families achieve their goals.

Riverbend Community Mental Health, Inc.

FINANCIAL STATEMENTS

June 30, 2014

Riverbend Community Mental Health, Inc.
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June 30, 2014

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Riverbend Community Mental Health, Inc.
Concord, New Hampshire

We have audited the accompanying financial statements of Riverbend Community Mental Health, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to 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.

Auditor's 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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Riverbend Community Mental Health, Inc. as of June 30, 2014 and 2013, and the statements of 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Riverbend Community Mental Health, Inc. taken as a whole. The supplementary information included on pages 14 through 17 are presented for the purposes of additional analysis and are not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

A handwritten signature in black ink that reads "Kittell Branagan + Sargent". The signature is written in a cursive, flowing style.

St. Albans, Vermont
September 2, 2014

Riverbend Community Mental Health, Inc.
STATEMENTS OF FINANCIAL POSITION
June 30,

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,475,020	\$ 3,522,525
Client service fees receivable, net	1,584,831	1,524,336
Other receivables	120,982	110,010
Investments	8,289,198	6,504,235
Prepaid expenses	103,991	47,660
Tenant security deposits	21,443	16,964
TOTAL CURRENT ASSETS	<u>12,595,465</u>	<u>11,725,730</u>
 PROPERTY & EQUIPMENT, NET	<u>7,993,202</u>	<u>8,235,263</u>
 OTHER ASSETS		
Investment in Behavioral Information Systems	83,604	83,604
Software licenses	-	2,137
Bond issuance costs	440,154	466,675
TOTAL OTHER ASSETS	<u>523,758</u>	<u>552,416</u>
 RESTRICTED CASH, Rural Development Fund	<u>18,837</u>	<u>17,556</u>
 DUE FROM RELATED PARTY - Penacook Assisted Living Facility	<u>-</u>	<u>5,351</u>
 TOTAL ASSETS	<u>\$ 21,131,262</u>	<u>\$ 20,536,316</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 59,556	\$ 166,377
Accrued expenses	1,019,924	1,054,640
Tenant security deposits	21,443	16,964
Accrued compensated absences	527,968	484,949
Current portion of long-term debt	215,318	204,608
Deferred revenue	107,965	51,582
TOTAL CURRENT LIABILITIES	<u>1,952,174</u>	<u>1,979,120</u>
 LONG-TERM LIABILITIES		
Long-term debt, less current portion	7,563,780	8,035,744
Interest rate swap liability	348,635	412,915
TOTAL LONG-TERM LIABILITIES	<u>7,912,415</u>	<u>8,448,659</u>
 NET ASSETS		
Unrestricted	8,465,911	7,513,592
Temporarily restricted	446,282	511,012
Temporarily restricted - Capital Campaign	2,354,480	2,083,933
TOTAL NET ASSETS	<u>11,266,673</u>	<u>10,108,537</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 21,131,262</u>	<u>\$ 20,536,316</u>

See Accompanying Notes to Financial Statements.

Riverbend Community Mental Health, Inc.
STATEMENTS OF OPERATIONS
For the Years Ended June 30,

	2014				2013
	Unrestricted	Temporarily Restricted	Temporarily Restricted Capital Campaign	All Funds	
PUBLIC SUPPORT AND REVENUES					
Public support -					
State of New Hampshire -- BBH	\$ 490,295	\$ -	\$ -	\$ 490,295	\$ 497,194
Federal	244,412	-	-	244,412	146,495
In-kind donations	170,784	-	-	170,784	170,784
Contributions	48,203	-	-	48,203	298,691
Other	691,816	13,124	-	704,940	716,751
Total Public Support	<u>1,645,510</u>	<u>13,124</u>	<u>-</u>	<u>1,658,634</u>	<u>1,829,915</u>
Revenues -					
Client service fees, net of provision for bad debts	17,244,238	-	-	17,244,238	17,106,081
Other	2,477,007	-	-	2,477,007	2,436,326
Net assets released from restrictions	186,059	(78,498)	(107,561)	-	-
Total Revenues	<u>19,907,304</u>	<u>(78,498)</u>	<u>(107,561)</u>	<u>19,721,245</u>	<u>19,542,407</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>21,552,814</u>	<u>(65,374)</u>	<u>(107,561)</u>	<u>21,379,879</u>	<u>21,372,322</u>
PROGRAM AND ADMINISTRATIVE EXPENSES					
Children and adolescents	4,649,697	-	-	4,649,697	4,470,877
Emergency services	1,500,048	-	-	1,500,048	1,549,588
ACT Team	1,331,078	-	-	1,331,078	1,249,939
Outpatient - Concord	2,902,542	-	-	2,902,542	2,862,644
Outpatient - Franklin	-	-	-	-	1,701,997
Multi-Service Team - Community Support Program	6,495,886	-	-	6,495,886	5,035,196
Community Residence - Twitchell	887,964	-	-	887,964	857,338
Community Residence - Fellowship	646,450	-	-	646,450	492,574
Restorative Partial Hospital	553,466	-	-	553,466	536,427
Supportive Living - Fellowship	-	-	-	-	145,600
Supportive Living - Community	1,089,113	-	-	1,089,113	1,097,938
Other Non-BBH	610,710	-	-	610,710	672,199
Mill House	173,466	-	-	173,466	110,996
Administrative	250,283	-	-	250,283	31,618
Temporarily restricted	106,083	-	-	106,083	264,905
TOTAL PROGRAM & ADMINISTRATIVE EXPENSES	<u>21,196,786</u>	<u>-</u>	<u>-</u>	<u>21,196,786</u>	<u>21,079,836</u>
EXCESS/(DEFICIENCY) OF PUBLIC SUPPORT AND REVENUE OVER EXPENSES FROM OPERATIONS	356,028	(65,374)	(107,561)	183,093	292,486
INVESTMENT INCOME	532,012	644	378,108	910,764	441,002
GAIN ON SALE OF ASSETS	-	-	-	-	7,250
GAIN ON MILL HOUSE TRANSFER	-	-	-	-	879,490
TOTAL INCREASE (DECREASE) IN NET ASSETS	888,040	(64,730)	270,547	1,093,857	1,620,228
NET ASSETS, BEGINNING OF YEAR	7,513,592	511,012	2,083,933	10,108,537	8,348,582
Change in fair value of interest rate swap liability	64,279	-	-	64,279	139,727
NET ASSETS, END OF YEAR	<u>\$ 8,465,911</u>	<u>\$ 446,282</u>	<u>\$ 2,354,480</u>	<u>\$ 11,266,673</u>	<u>\$ 10,108,537</u>

See Accompanying Notes to Financial Statements.

Riverbend Community Mental Health, Inc.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30,

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,093,857	\$ 1,620,228
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	660,103	638,147
Gain on sale of fixed assets	-	(7,250)
Unrealized (gain) loss on investments	(378,108)	(202,052)
Transfer of Millhouse Gain	-	(879,490)
Changes in:		
Client service fee receivables	(60,495)	134,169
Other receivables	(10,972)	(46,958)
Prepaid expenses	(56,331)	(7,929)
Restricted cash	(1,281)	(1,294)
Accounts payable and accrued expenses	(98,518)	248,530
Deferred revenue	56,383	(52,494)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,204,638</u>	<u>1,443,607</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(390,381)	(517,737)
Investment activity, net	<u>(1,405,859)</u>	<u>(752,667)</u>
NET CASH (USED) IN INVESTING ACTIVITIES	<u>(1,796,240)</u>	<u>(1,270,404)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Undisbursed trust funds	-	52,161
Repayment from affiliates	5,351	12,226
Mill House borrowings, net	-	185,121
Proceeds from issuance of debt	-	100,000
Principal payments on long-term debt	<u>(461,254)</u>	<u>(214,807)</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(455,903)</u>	<u>134,701</u>
NET INCREASE (DECREASE) IN CASH	(1,047,505)	307,904
CASH AT BEGINNING OF YEAR	<u>3,522,525</u>	<u>3,214,621</u>
CASH AT END OF YEAR	<u>\$ 2,475,020</u>	<u>\$ 3,522,525</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for interest	<u>\$ 301,964</u>	<u>\$ 197,848</u>

See Accompanying Notes to Financial Statements.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Riverbend Community Mental Health, Inc. (Riverbend) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs. The organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). It operates in the Merrimack and Hillsborough counties of New Hampshire.

Income Taxes

Riverbend Community Mental Health, Inc., is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code. Therefore, it is exempt from income taxes on its exempt function income.

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Related Organizations

Riverbend is an affiliate of Capital Region Health Care (CRHC). CRHC is a comprehensive healthcare service system consisting of one hospital, one visiting nurse association, real estate holding companies and a variety of physician service companies. The affiliation exists for the purpose of integrating and improving the delivery of healthcare services to the residents of the central New Hampshire area.

Penacook Assisted Living Facility (PALF) is managed by Riverbend. PALF is a 501(c)(3) organization and operates the "John H. Whitaker Place" assisted care community located in Penacook, New Hampshire.

The Mill House at Tremont Associates (Mill House) is a partnership formed to acquire, rehabilitate and operate nineteen units of low income housing located in Boscawen, NH. During the year ended June 30, 2013, Riverbend was assigned the 99.9% limited partnership interest in the entity. The assets and liabilities of the partnership were transferred to Riverbend at fair market value resulting in a gain on transfer of \$879,490.

Property

Property is recorded at cost or, if donated, at fair market value at the date of donation. Depreciation is provided using both straight-line and accelerated methods, over the estimated useful lives of the assets.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight-line method. Estimated useful lives range from 3 to 40 years.

State Grants

Riverbend receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Temporarily Restricted Funds

Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of Riverbend for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as expenses when expended for the specific purpose for which they were given.

In 2002, Riverbend developed an endowment fund to support current programs and to expand community mental health services in the future. These funds were raised through a capital campaign "Helping People Help Themselves".

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

In-Kind Donations

Various public and private entities have donated facilities for Riverbend's operational use. The estimated fair value of such donated services is recorded as offsetting revenues and expenses in the accompanying statement of revenue support and expenses of general funds.

Revenue

Grant revenue received by Riverbend is deferred until the related services are provided.

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, Riverbend analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payors experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Based on management's assessment, the Riverbend provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after Riverbend has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center decreased its estimate in the allowance for doubtful accounts from 25% to 21% of total accounts receivable to \$432,614 as of June 30, 2014 from \$512,945 as of June 30, 2013. This was a direct result of self-pay patient accounts decreasing to \$453,689 as of June 30, 2014 from \$535,620 as of June 30, 2013.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payor coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payor programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking into account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled \$17,244,238, of which \$16,709,193 was revenue from third-party payors and \$535,045 was revenue from self-pay clients.

The Center has agreements with third-party payors that provide payments to the Center at established rates. These payments include:

New Hampshire Medicaid

The Center is reimbursed for services rendered to Medicaid clients on the basis of fixed Fee for Service rates.

Approximately 81% of net client service revenue is from participation in the state-sponsored Medicaid programs for the year ended June 30, 2014. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is possible that recorded estimates could change materially in the near term.

Interest Rate Swap Agreements

Riverbend has adopted professional accounting standards which require that derivative instruments be recorded at fair value and included in the statement of financial position as assets or liabilities. Riverbend uses interest rate swaps to manage risks related to interest rate movements. Interest rate swap contracts are reported at fair value. Riverbend's interest rate risk management strategy is to stabilize cash flow requirements by maintaining contracts to convert variable rate debt to a fixed rate.

Advertising

Advertising costs are expensed as incurred. Total costs were \$35,400 and \$38,562 at June 30, 2014 and 2013, respectively.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 2 CASH

At June 30, 2014 and 2013, the carrying amount of cash deposits was \$2,515,300 and \$3,535,030 and the bank balance was \$2,313,068 and \$3,628,549. Of the bank balance, \$1,013,113 and \$1,012,519 was covered by federal deposit insurance under written agreement between the bank and Riverbend, \$1,299,954 and \$2,388,024 was covered by an irrevocable letter of credit with TD Bank, N.A., and the remaining \$-0-, and \$6,733 is uninsured.

NOTE 3 ACCOUNTS RECEIVABLE

	<u>2014</u>	<u>2013</u>
ACCOUNTS RECEIVABLE - TRADE		
Due from clients	\$ 453,689	\$ 535,620
Receivable from insurance companies	189,432	192,213
Medicaid receivable	1,220,053	1,168,278
Medicare receivable	152,723	138,983
Other	<u>1,548</u>	<u>2,187</u>
	2,017,445	2,037,281
Allowance for doubtful accounts	<u>(432,614)</u>	<u>(512,945)</u>
	<u>\$ 1,584,831</u>	<u>\$ 1,524,336</u>
ACCOUNTS RECEIVABLE - OTHER		
Due from Penacook Assisted Living Facility	\$ 14,160	\$ 18,843
Other	<u>106,822</u>	<u>91,167</u>
	<u>\$ 120,982</u>	<u>\$ 110,010</u>

NOTE 4 INVESTMENTS

Riverbend has invested funds in various pooled funds with Harvest Capital Management. The approximate breakdown of these investments are as follows at June 30,:

<u>2014</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Market Value</u>
Cash & Money Market	\$ 62,148	\$ -	\$ 62,148
U.S. Treasuries	272,660	17,847	290,507
Corporate Bonds	2,057,093	27,805	2,084,898
Mutual Funds	<u>5,271,752</u>	<u>579,893</u>	<u>5,851,645</u>
	<u>\$ 7,663,653</u>	<u>\$ 625,545</u>	<u>\$ 8,289,198</u>

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 INVESTMENTS (continued)

<u>2013</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Market Value</u>
Cash & Money Market	\$ 354,625	\$ -	\$ 354,625
U.S. Treasuries	135,805	14,868	150,673
Corporate Bonds	1,421,915	(15,745)	1,406,170
Equities	169,767	7,290	177,057
Mutual Funds	<u>4,187,730</u>	<u>227,980</u>	<u>4,415,710</u>
	<u>\$ 6,269,842</u>	<u>\$ 234,393</u>	<u>\$ 6,504,235</u>

Investment income (losses) consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Interest and dividends	\$ 269,119	\$ 216,280
Realized gains	294,126	42,464
Unrealized gains	378,108	202,520
Fees	(39,839)	(29,086)
Returns from BIS	<u>9,250</u>	<u>8,824</u>
TOTAL	<u>\$ 910,764</u>	<u>\$ 441,002</u>

NOTE 5 FAIR VALUE MEASUREMENTS

Professional accounting standards established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

- Level 1- Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2- Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3- Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 5 FAIR VALUE MEASUREMENTS

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment, at cost:

	<u>2014</u>	<u>2013</u>
Land	\$ 496,287	\$ 496,287
Buildings	11,658,593	11,595,370
Leasehold Improvements	351,960	351,960
Furniture and Fixtures	2,996,270	2,903,550
Equipment	<u>936,255</u>	<u>717,012</u>
	16,439,365	16,064,179
Accumulated Depreciation	<u>(8,446,163)</u>	<u>(7,828,916)</u>
 NET BOOK VALUE	 <u>\$ 7,993,202</u>	 <u>\$ 8,235,263</u>

NOTE 7 OTHER INVESTMENTS

Behavioral Information System

Riverbend entered into a joint venture with another New Hampshire Community Mental Health Center. Under the terms of the joint venture, Riverbend invested \$52,350 for a 50% interest in Behavioral Information Systems (BIS).

The investment is being accounted for under the equity method. Accordingly, 50% of the BIS operating income for the year has been reflected on the books of Riverbend.

During the years June 30, 2014 and 2013, Riverbend paid BIS \$338 and \$42,513, respectively, for software support and services.

BIS owed Riverbend \$14,099 and \$4,752 at June 30, 2014 and 2013, respectively.

NOTE 8 OTHER ASSETS

Bond Issuance Costs

The organization incurred bond issuance costs totaling \$598,341. These costs are being amortized over the life of the related obligation – 30 years. The net remaining unamortized costs were \$434,424 and \$460,671 at June 30, 2014 and 2013, respectively.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 9 LONG-TERM DEBT

Long-term debt consisted of the following as of June 30,:

	<u>2014</u>	<u>2013</u>
Note payable, \$30,400 note dated 11/3/06. Monthly of principal and interest of \$464. Interest at prime minus 1%. Matures November 2013.	\$ -	\$ 1,534
Mortgage payable, \$206,500 note dated 12/9/99. Interest at 4.5%. Monthly payments of principal and interest of \$1,047. Matures December 2029. Secured by building.	139,410	145,542
Mortgage payable, \$105,350 note dated 2/17/00, secured by Kendall St. property. Interest at 0.0%, annual principal payments of \$5,268 are fully forgiven. The obligation does not have to be repaid if the Agency meets certain requirements regarding use of the property.	26,776	32,044
Mortgage payable, \$175,842 note dated 1/30/03, secured by Pleasant St. property. Interest at 0.0%, annual principal payments of \$8,792 are fully forgiven. The obligation does not have to be repaid if the Agency meets certain requirements regarding use of the property.	74,734	83,526
Bond payable, TD Banknorth dated February 2003, interest at a fixed rate of 3.06% with annual debt service payments of varying amounts ranging from \$55,000 in July 2004 to \$375,000 in July 2034. Matures July 2034. The bond is subject to various financial covenant calculations.	3,855,000	3,965,000
Note payable, City of Concord, \$24,371 note dated August 2011. Monthly payments of principal and interest of \$438 at 3% interest. Matures August 2016.	11,011	15,856
Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority, secured by real estate and personal property. Repayment is to be made from cash surplus once certain operating reserve balances have been funded. Note matures July 2026, at which time any unpaid principal balance is due in full.	-	255,000

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 9 LONG-TERM DEBT (continued)	<u>2014</u>	<u>2014</u>
Note payable, New Hampshire Health and Education Facilities Authority, \$100,000 note dated January 2013. Monthly payments of principal and interest of \$1,709 at 1% interest. Matures January 2018.	72,167	91,851
Bond payable, NHHEFA dated July 2008, interest at a fixed rate of 3.435% through a swap agreement expiring 7/1/2018, annual debt service payments of varying amounts ranging from \$45,000 in July 2012 to \$475,000 in July 2038. Matures July 2038. The bond is subject to various financial covenant calculations.	<u>3,600,000</u> 7,779,098	<u>3,650,000</u> 8,240,353
Less: Current Portion	<u>(215,318)</u>	<u>(204,608)</u>
	<u>\$ 7,563,780</u>	<u>\$ 8,035,745</u>

The aggregate principal payments of the long-term debt for the next five years and thereafter area as follows:

Year Ending June 30,	Amount
2015	\$ 215,318
2016	220,995
2017	227,243
2018	213,915
2019	221,735
Thereafter	<u>6,679,892</u>
	<u>\$ 7,779,098</u>

Riverbend has an irrevocable direct pay letter of credit which is associated with the 2008 bond. The letter of credit is for the favor of the Trustee of the bond for the benefit of the bond holders under the bond indenture dated July 1, 2008. The letter is for \$4,100,000 and expires July 23, 2015.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 10 DEFERRED INCOME

	<u>2014</u>	<u>2013</u>
Concord Hospital - Community Service Fund	\$ 90,180	\$ 27,742
Endowment for Health	8,840	8,840
Town of Hillsboro	-	3,000
DHHS - BBH Grant	<u>8,945</u>	<u>12,000</u>
 TOTAL DEFERRED INCOME	 <u>\$ 107,965</u>	 <u>\$ 51,582</u>

NOTE 11 LINE OF CREDIT

As of June 30, 2014, Riverbend had available a line of credit with an upper limit of \$1,500,000. At that date no borrowings were outstanding against the line of credit. These funds are available with an interest rate of TD Bank, N.A. base rate plus .25%, adjusted daily. This line of credit is secured by all accounts receivable of the company and is due on demand.

NOTE 12 RELATED PARTY

Penacook Assisted Living Facility, Inc., an affiliate, owed Riverbend various funds at year end.

The balance is comprised of the following at June 30,:

	<u>2014</u>	<u>2013</u>
Note receivable dated December 1, 2008 with monthly payments of principal and interest of \$1,089 at 7% interest. Matures December 1, 2013.	\$ _____	\$ <u>5,351</u>
Ongoing management and administrative services, recorded in other accounts receivable	<u>14,160</u>	<u>18,843</u>
	<u>\$ 14,160</u>	<u>\$ 24,194</u>

Riverbend collected \$77,164 and \$75,233 for property management services and \$58,650 and \$54,666 for contracted housekeeping services from the affiliate during the years ended June 30, 2014 and 2013, respectively.

NOTE 13 EMPLOYEE BENEFIT PLAN

Riverbend makes contributions to a 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the years ended June 30, 2014 and 2013, such contributions were \$146,808 and \$140,131, respectively.

Riverbend Community Mental Health, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 14 OPERATING LEASES

Riverbend leases operating facilities from various places. The future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 27,498
2016	26,718
2017	27,151
2018	27,598
2019	<u>28,057</u>
	<u>\$ 137,022</u>

Total rent expense for the years ended June 30, 2014 and 2013 was \$38,714 and \$65,493, respectively.

NOTE 15 SUBSEQUENT EVENTS

In accordance with professional accounting standards, Riverbend has evaluated subsequent events through September 2, 2014, which is the date the financial statements were available to be issued. Events requiring recognition as of June 30, 2014, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

Riverbend Community Mental Health Inc.
SCHEDULE OF FUNCTIONAL REVENUES
For the Year Ended June 30, 2014, with
Comparative Totals for 2013

	2014 Total	Total Admin.	Total Programs	Children & Adolescents	Emergency Services/ Assessment
PROGRAM SERVICE FEES					
Net Client Fees	\$ 535,045	\$ -	\$ 535,045	\$ 84,573	\$ 36,465
HMO's	742,876	-	742,876	196,095	56,938
Blue Cross/Blue Shield	318,086	-	318,086	77,720	28,167
Medicaid	13,917,228	-	13,917,228	4,110,619	205,092
Medicare	664,580	-	664,580	-	3,255
Other Insurance	604,661	-	604,661	162,242	52,455
Other Program Fees	461,762		461,762	3,331	-
PROGRAM SALES					
Service	2,477,007	-	2,477,007	-	946,495
PUBLIC SUPPORT					
United Way	75,562	-	75,562	-	75,562
Local/County Gov't.	3,000	-	3,000	3,000	-
Donations/Contributions	48,203	-	48,203	1,825	2,251
Other Public Support	303,340	23,529	279,811	64,335	71,775
FEDERAL FUNDING					
Other Federal Grants	207,297	10,000	197,297	34,507	325
PATH	37,115	-	37,115	-	-
RENTAL INCOME					
	-	-	-		
IN-KIND DONATIONS					
	170,784	-	170,784	5,200	-
OTHER REVENUES					
	323,038	216,754	106,284	5,703	151
BBH					
	490,295	-	490,295	172	7,708
	<u>21,379,879</u>	<u>250,283</u>	<u>21,129,596</u>	<u>4,749,322</u>	<u>1,486,639</u>
TOTAL PROGRAM REVENUES	<u>\$ 21,379,879</u>	<u>\$ 250,283</u>	<u>\$ 21,129,596</u>	<u>\$ 4,749,322</u>	<u>\$ 1,486,639</u>

<u>Restorative Partial Hospital</u>	<u>Non Eligibles</u>	<u>ACT Team</u>	<u>Multi- Service Team</u>	<u>Comm. Res. Twitchell</u>	<u>Comm. Res. Fellowship</u>	<u>Comm. Supp. Living</u>	<u>Other Non-BBH</u>
\$ 7,263	\$ 276,084	\$ 28,966	\$ 46,772	\$ 22,857	\$ 5,849	\$ 22,706	\$ -
-	391,194	9,346	89,303	-	-	-	-
14	171,686	5,847	34,652	-	-	-	-
619,172	207,012	676,671	5,464,019	607,146	812,267	1,074,426	-
13,234	301,467	19,829	326,795	-	-	-	-
-	310,090	10,770	69,104	-	-	-	-
-	79,247	-	(1,419)	122,990	-	60,573	-
-	1,281,700	-	40,978	-	(182,244)	-	390,078
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	549	250	-	-	43,016
3,832	35,414	75	47,636	-	-	20,890	-
650	1,495	8,873	53,503	1,752	-	2,198	-
-	-	-	-	-	-	37,115	-
-	-	-	-	144,886	-	20,698	-
-	1,970	191	3,363	-	25	-	91,529
90	-	477,587	4,738	-	-	-	-
<u>644,255</u>	<u>3,057,359</u>	<u>1,238,155</u>	<u>6,179,993</u>	<u>899,881</u>	<u>635,897</u>	<u>1,238,606</u>	<u>524,623</u>
<u>\$ 644,255</u>	<u>\$ 3,057,359</u>	<u>\$ 1,238,155</u>	<u>\$ 6,179,993</u>	<u>\$ 899,881</u>	<u>\$ 635,897</u>	<u>\$ 1,238,606</u>	<u>\$ 524,623</u>

<u>Other Non-BBH</u>	<u>Other Non-BBH</u>	<u>Millhouse</u>	<u>Temporarily Restricted Funds</u>	<u>2013</u>
\$ -	\$ 3,510	\$ -	\$ -	\$ 661,619
-	-	-	-	784,348
-	-	-	-	285,403
-	140,804	-	-	13,991,611
-	-	-	-	540,424
-	-	-	-	544,409
36,105	-	160,935	-	298,267
-	-	-	-	2,436,326
-	-	-	-	77,813
-	-	-	-	4,000
-	312	-	-	298,691
9,235	13,495	-	13,124	437,720
-	93,994	-	-	116,495
-	-	-	-	30,000
-	-	-	-	84,114
-	-	-	-	170,784
-	-	3,352	-	113,104
-	-	-	-	497,194
<u>45,340</u>	<u>252,115</u>	<u>164,287</u>	<u>13,124</u>	<u>21,372,322</u>
<u>\$ 45,340</u>	<u>\$ 252,115</u>	<u>\$ 164,287</u>	<u>\$ 13,124</u>	<u>\$ 21,372,322</u>

Riverbend Community Mental Health Inc.
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014, with
Comparative Totals for 2013

	2014 Totals	Total Admin.	Total Programs	Children & Adolescents	Emergency Services/ Assessment
PERSONNEL COSTS					
Salary & Wages	\$ 13,009,356	\$ 1,063,128	\$ 11,946,228	\$ 2,717,556	\$ 973,725
Employee Benefits	3,002,183	184,450	2,817,733	715,406	174,997
Payroll Taxes	966,491	78,016	888,475	208,267	70,566
PROFESSIONAL FEES					
Substitute Staff	263,688	17,067	246,621	-	-
Accounting	44,940	33,650	11,290	-	-
Audit Fees	-	-	-	-	-
Legal Fees	30,391	23,656	6,735	-	-
Other Prof. Fees/Consul.	745,975	29,197	716,778	12,746	5,499
STAFF DEV. & TRAINING					
Journals & Pub.	8,760	1,817	6,943	1,758	547
Conferences and Conv.	51,194	6,141	45,053	6,565	2,663
Other Staff Dev. (Statewide)	1,039	-	1,039	-	-
OCCUPANCY COSTS					
Rent	60,331	10,570	49,761	13,093	1,600
Mortgage Interest	-	-	-	-	-
Heating Costs	54,835	5,988	48,847	5,856	1,398
Other Utilities	159,457	26,853	132,604	23,622	5,922
Maintenance and Repairs	134,966	24,551	110,415	12,771	9,987
Taxes	24,727	-	24,727	-	-
Other Occupancy Costs	-	-	-	-	-
CONSUMABLE SUPPLIES					
Office	177,686	55,087	122,599	28,565	10,456
Building/Household	72,428	21,602	50,826	10,942	3,800
Educational/Training	28,847	-	28,847	24,433	-
Production & Sales	-	-	-	-	-
Food	60,628	9,949	50,679	4,561	1,346
Medical	3,457	249	3,208	394	175
Other Consumable Supplies	7,066	-	7,066	4,996	-
ADVERTISING	35,398	20,486	14,912	1,933	531
PRINTING	18,878	8,240	10,638	1,968	1,004
TELEPHONE/COMMUNICATIONS	172,952	24,641	148,311	29,661	21,805
POSTAGE/SHIPPING	22,875	6,559	16,316	4,012	1,499
TRANSPORTATION					
Staff	341,743	18,037	323,706	110,846	1,985
Clients	36,647	3,653	32,994	3,544	-
ASSISTANCE TO INDIVIDUALS					
Client Services	1,134	-	1,134	-	-
INSURANCE					
Malpractice and Bonding	178,223	16,907	161,316	33,188	30,610
Vehicles	11,049	771	10,278	1,163	-
Comp. Property & Liab.	17,346	3,591	13,755	1,987	599
INTEREST EXPENSE	301,964	127,881	174,083	56,983	15,314
IN-KIND EXPENSE	170,784	-	170,784	5,200	-
DEPRECIATION AND AMORTIZATION	660,103	131,984	528,119	155,206	26,067
EQUIPMENT MAINTENANCE	21,723	7,241	14,482	2,627	2,430
MEMBERSHIP DUES	25,725	17,996	7,729	286	120
OTHER EXPENDITURES	271,797	65,240	206,557	40,059	2,456
TOTAL EXPENSES	21,196,786	2,045,198	19,151,588	4,240,194	1,367,101
ADMIN ALLOCATION	-	(1,794,915)	1,794,915	409,503	132,947
TOTAL PROGRAM EXPENSES	21,196,786	250,283	20,946,503	4,649,697	1,500,048
SURPLUS/(DEFICIT)	\$ 183,093	\$ -	\$ 183,093	\$ 99,625	\$ (13,409)

Restorative Partial Hospital	Non Eligibles	ACT Team	Mult- Service Team	Comm. Res. Twitchell	Comm. Res. Fellowship	Comm. Supp. Living	Other Non-BBH
\$ 264,391	\$ 1,874,952	\$ 761,285	\$ 3,941,112	\$ 422,828	\$ -	\$ 602,418	\$ 221,172
102,154	225,597	238,051	993,862	119,109	-	164,569	28,928
19,766	124,196	55,042	300,095	32,702	-	47,821	16,888
-	240,095	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,555	10,112	1,251	19,509	307	639,250	3,871	15
301	527	190	2,093	723	-	636	-
300	10,976	3,645	17,190	1,343	-	925	-
-	-	-	1,039	-	-	-	-
2,002	12,509	1,361	1,173	-	-	-	-
-	-	-	-	-	-	-	-
794	1,398	2,564	15,772	-	-	3,269	-
5,418	5,922	8,320	34,900	10,578	-	9,108	-
3,324	7,745	9,100	41,218	3,867	-	12,991	5
-	-	-	-	-	-	-	2,813
-	-	-	-	-	-	-	-
2,944	21,157	6,732	39,701	5,519	-	6,322	14
1,563	1,846	3,201	14,368	5,991	-	6,362	-
609	-	1,172	2,570	-	-	63	-
-	-	-	-	-	-	-	-
14,040	1,753	477	7,055	17,200	-	3,460	8
-	240	39	1,870	160	-	330	-
-	-	-	1,164	-	-	-	-
319	3,171	570	6,233	812	-	1,131	57
68	2,114	293	4,737	146	-	200	25
4,914	12,715	12,581	43,494	10,310	-	11,844	357
731	1,658	691	5,362	451	-	1,381	346
1,062	1,979	29,476	156,582	4,905	-	10,943	4,143
13,372	-	-	792	3,314	-	4,794	48
-	-	-	-	-	-	1,134	-
7,443	17,883	4,834	46,608	9,666	-	9,344	-
4,933	-	-	722	1,423	-	2,022	15
538	599	1,437	3,161	1,496	-	1,795	88
19,928	15,202	18,930	23,031	-	-	24,695	-
-	-	-	-	144,886	-	20,698	-
20,417	44,204	48,218	151,126	7,077	-	36,319	-
724	702	1,176	3,889	1,342	-	1,539	4
3	2,061	465	4,268	48	-	3	-
6,243	3,982	2,006	37,189	3,062	-	2,600	471
504,856	2,645,295	1,213,107	5,921,885	809,265	639,250	992,587	275,397
48,610	257,247	117,971	574,001	78,699	7,200	96,526	26,782
553,466	2,902,542	1,331,078	6,495,886	887,964	646,450	1,089,113	302,179
\$ 90,789	\$ 154,817	\$ (92,923)	\$ (315,893)	\$ 11,917	\$ (10,553)	\$ 149,493	\$ 222,444

	Other Non-BBH	Other Non-BBH	Millhouse	Temporarily Restricted Funds	2013
\$	30,210	\$ 131,933	\$ 4,646	\$ -	\$ 12,913,783
	498	54,506	56	-	2,601,651
	1,942	10,808	382	-	1,007,886
	-	-	6,526	-	436,908
	-	-	11,290	-	36,675
	-	-	-	-	7,830
	-	-	6,735	-	77,777
	2,620	15,043	-	-	842,983
	-	168	-	-	8,218
	-	948	498	-	41,570
	-	-	-	-	-
	3,975	14,048	-	-	83,783
	-	-	-	-	-
	-	-	17,796	-	47,592
	-	-	28,814	-	127,927
	-	1	9,406	-	131,744
	-	-	21,914	-	15,900
	-	-	-	-	6,464
	-	1,189	-	-	181,711
	-	99	2,654	-	58,257
	-	-	-	-	50,207
	-	-	-	-	-
	-	779	-	-	67,237
	-	-	-	-	16,427
	906	-	-	-	-
	12	143	-	-	38,562
	5	78	-	-	15,964
	2	628	-	-	177,409
	12	173	-	-	21,357
	-	1,785	-	-	332,034
	-	7,130	-	-	47,813
	-	-	-	-	1,392
	-	1,531	209	-	184,531
	-	-	-	-	15,067
	-	359	1,696	-	11,394
	-	-	-	-	265,420
	-	-	-	-	170,784
	-	2,947	36,538	-	638,147
	-	49	-	-	22,499
	-	475	-	-	30,161
	721	1,127	558	106,083	344,772
	40,903	245,947	149,718	106,083	21,079,836
	2,045	19,636	23,748	-	-
	42,948	265,583	173,466	106,083	21,079,836
\$	2,392	\$ (13,468)	\$ (9,179)	\$ (92,959)	\$ 292,486

Riverbend Community Mental Health, Inc.
 ANALYSIS OF DHHS-BBH REVENUES, RECEIPTS AND RECEIVABLES
 For the Year Ended June 30, 2014

	Beginning Receivables (Deferred)	Revenues	Receipts	Pass Thru to other Agencies	Ending Receivables (Deferred)
Contract Year, June 30, 2014	\$ (12,000)	\$ 719,414	\$ (716,359)	\$ -	\$ (8,945)

Analysis of Receipts:

<u>BBH & Federal Fund Payments</u>	
7/22/2013	7,326
9/3/2013	3,663
11/1/2013	2,697
11/1/2013	108,839
11/21/2013	3,663
12/10/2013	106,733
12/19/2013	9,750
12/23/2013	3,663
12/23/2013	56,172
1/22/2014	3,663
2/19/2014	68,126
3/5/2014	3,663
3/5/2014	18,463
3/28/2014	3,663
4/1/2014	975
5/2/2014	3,663
5/13/2014	124,602
5/16/2014	3,663
5/20/2014	59,268
6/2/2014	3,665
6/4/2014	36,515
6/16/2014	51,800
6/18/2014	760
6/24/2014	6,209
6/27/2014	301
7/31/2014	14,835
7/31/2014	10,019
	<u>\$ 716,359</u>

Riverbend Community Mental Health, Inc.
ANALYSIS OF CLIENT SERVICE FEES
For the Year Ended June 30, 2014

	<u>Accounts Receivable, Beginning</u>	<u>Gross Fees</u>	<u>Contractual Allowances & Discounts</u>	<u>Bad Debts and Other Charges</u>	<u>Cash Receipts</u>	<u>Accounts Receivable, Ending</u>
Client fees	\$ 535,620	\$ 2,655,133	\$ (2,035,088)	\$ (15,308)	\$ (579,455)	\$ 560,902
Blue Cross/Blue Shield	26,888	481,623	(163,538)	4,861	(308,227)	41,607
Medicaid	1,168,278	18,198,071	(4,280,843)	(23,727)	(13,841,718)	1,220,061
Medicare	138,983	844,545	(179,966)	6,509	(657,348)	152,723
Other insurance	165,324	1,915,861	(568,323)	22,317	(1,387,235)	147,944
Other program fees	<u>2,187</u>	<u>346,898</u>	<u>(2,114)</u>	<u>26,965</u>	<u>(372,388)</u>	<u>1,548</u>
TOTALS	<u>\$ 2,037,280</u>	<u>\$ 24,442,131</u>	<u>\$ (7,229,872)</u>	<u>\$ 21,617</u>	<u>\$(17,146,371)</u>	<u>\$ 2,124,785</u>

Riverbend Community Mental Health, Inc.

BOARD OF DIRECTORS

2015

CHAIR

HAYES, Randy

VICE CHAIR

MILLER, Meg

SECRETARY

DUVAL, John

ACRES, Valerie

BASSI, John

BARTHELMES, John

BLUME, Peg

CAWLEY, David

COURET, Michel

HASTINGS, John

JOHNSON, Sheila

LEVCHUK, Karen

SAVAGE, Jill

SWEET, Sharon

Ex Officio

EVERS, Peter, CEO

Ex Officio

STEIGMEYER, Robert, CEO

Peter John Evers

Employment History

October 2013- Present	Riverbend Community Mental Health, Inc. President/CEO Vice President for Behavioral Health at Concord Hospital Manage \$22 million mental health agency with 300 employees serving children, families and adults with outpatient, inpatient and residential services. Manage 15 bed inpatient psychiatric unit and emergency psychiatric services at Concord Hospital. Board member for Capital Region Health Care. Program development with the New Hampshire Division of Behavioral Health to design new initiatives to better serve the community. Work with state and local government committees to advise legislators on the mental health needs of the community.	Concord, NH
April 2010- October 2013	The Home for Little Wanderers Vice President, Program Operations Responsible for the operations of all The Home's programs in Eastern Mass. 600 Employees 20 Programs and a budget of \$32 Million. <i>Achievements:</i> Part of a team that has brought financial stability to the program side of the organization during very difficult times for non profits. Turned a small surplus last 2 Financial Years. Diversified programmatic continuum of services and revenues streams to ensure that the agency is not reliant on revenue from large single sources.	Boston MA
February 2007 - April 2010	Department of Mental Health, Southeastern Area Area Director Responsibility and oversight of 1,300 employees and a budget of \$112M to provide services to the mentally ill in Southeastern Mass. Region. Oversight of 3 hospitals and 7 community-based mental health centers providing an array of inpatient acute and outpatient services to people with mental illness. Management of all contracts with private sector providers in South Eastern Massachusetts	Brockton, MA
January 2004 - February 2007	Boston Emergency Services Team Clinical Director Responsible for clinical oversight of psychiatric crisis intervention services for the City of Boston. Supervision of 5 components of service delivery with a mission to place those with psychiatric illness in appropriate services and levels of care.	Boston, MA
February 2003 - March 2004	Dimock Community Health Center Vice President, Behavioral Health Responsible for administration of the Behavioral Health Cluster at Dimock which is the largest of all of the cluster providers in the Health Center, which employs 700 individuals in the Roxbury/Dorchester Area. The Behavioral Health Cluster has a budget of over \$10 million and employs in the region of 200 people. Programs include Emergency Psychiatric Evaluation, MR Residential, Addictions and Recovery Residential and Outpatient Programs and Mental Health Outpatient Programs.	Roxbury, MA
December 1998 - February 2003	Boston Emergency Services Team Director of Acute Care Services Responsible for clinical and administrative operations for Dimock Community Health Center's Emergency Psychiatric Crisis Team, covering the areas of Dorchester, Roxbury and South Boston. Responsible for 24-hour coverage and response to requests for psychiatric evaluations in the community, residential group homes and hospital emergency rooms. Responsible for a budget in excess of \$3 million. Duties also included the running of a 30 bed Detoxification Unit in Roxbury. Responsible for budgets, hiring and firing of staff, performance improvement and utilization review.	Boston, MA
January 1998 - December 1998	Department of Social Services Area Director As the Director of State Child Protection office covering 10 towns north of Boston with 100 employees responsible for all cases of child protection and all budgetary matters. The office has a caseload of some 700 families and a foster care, home based and residential budget of over \$2 million. Oversaw child protection, adoption, substitute care residential care, community based initiatives, negotiation of all	Malden, MA

contracts with collateral agencies, responsibility for all personnel matters within the office and responsibility for all report and proposal writing within the office, including the proposal for the Multi-Disciplinary Treatment team, recruitment and set up.

December 1995 - January 1998	Department of Social Services Area Program Manager	Roxbury, MA
April 1995 - January 1993	Boston Emergency Services Team Psychiatric Crisis Clinician; Overnight shifts.	Boston, MA
November 1993 - December 1995	Department of Social Services Assessment Supervisor.	Roxbury, MA
July 1992 - November 1993	Roxbury Multi-Service Center Program Director.	Dorchester, MA
September 1990 - July 1992	Department of Social Services Assessment Worker	Allston, MA
June 1988 - August 1990	London Borough of Newham Social Services Department Social Worker working with children in long term care.	London

Education History

1986-1988: University Of Kent at Canterbury, England
M.S.W. Specializing in Psychology, Sociology, Social Policy and Psychotherapy.

1979-1983: Sheffield Hallam University, Sheffield, England.
B.A. [with Honors] Economics and Business Studies.
Specializing in Human Resource Management.

Additional Qualification

C.Q.S.W. British Social Work License
L.I.C.S.W. #1031376
LADC1 #1059

Committees/Boards

Board Member: Massachusetts Association for Mental Health
Member: Statewide Committee to Reduce Emergency Room Volume 2007-2010
Member: Boston Public Health Commission; Project Launch for Children/My Child

References

Available Upon Request.

KEY ADMINISTRATIVE PERSONNEL - FY2016

RIVERBEND COMMUNITY MENTAL HEALTH

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Peter Evers	1.00	\$ 163,741.00	\$ 58,694.83	36%
Chief Financial Officer	Allan Moses	1.00	\$ 111,569.00	\$ 39,993.18	36%
Medical Director	Oswaldo J. Evangelista	1.00	\$ 211,600.00	\$ 75,850.43	36%
Chief Operations Officer	Bret Longgood	1.00	\$ 110,069.00	\$ 39,455.49	36%

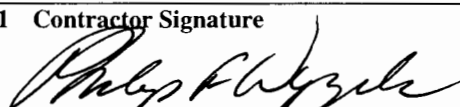
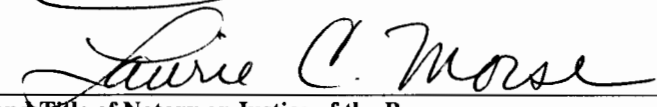

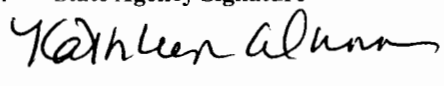
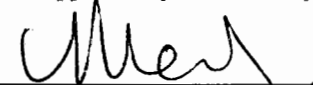
Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Monadnock Family Services		1.4 Contractor Address 64 Main Street Keene, NH 03431	
1.5 Contractor Phone Number 603-357-6878	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$357,400.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory PHILIP WYKIK CEO	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Cheshire</u> On <u>June 2, 2015</u> , before the undersigned officer, personally appeared the person identified in block 1.12, who satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of <u>Notary Public</u> or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. York, Attorney On: <u>6/8/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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: PPW
Date: JUN 02 2015

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

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I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.

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- C.** In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A.** The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B.** The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C.** The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D.** The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E.** Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).

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V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. Days of Cash on Hand:

- a. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.

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- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



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- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractors cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



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XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without



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the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.

XIII. DATA REPORTING

- A.** The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B.** In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A.** The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the



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individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glenclyff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glenclyff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:



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1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or
 - d. Staff training for collecting new data elements.
 2. Costs associated with developing other BBH-requested data reporting system.
 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 1. Gym Membership;
 2. In SHAPE (includes gym membership);

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3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).
- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 2. Prescriber Referral and Facilitated Use of Quit line; and
 3. Prescriber Referral alone.
- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
1. Promote access to the MIPCD program;
 2. Help participants make decisions about health behavior changes; and
 3. Encourage the use of incentives.
- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.
- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.
- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.
- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.
- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.
- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

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XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.
- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.

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- C.** The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 2. Promote military culture and competence within the CMHC;
 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;
 4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D.** The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E.** The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F.** The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at

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a minimum, the activities, deliverables, and due dates, and who will perform the activities.

- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.
- B. At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C. The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D. The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E. The Contractor shall comply with all reporting requirements under the PATH Grant.
- F. The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G. As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

Region 5 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.150
Federal Agency: U.S. Department of Health and Human Services
Program Title: Projects for Assistance in Transition from Homelessness (PATH) PL 101-645
FAIN: SM016030-14

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731
6. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:
 - a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
 - b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.

G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Homeless and Housing Federal Grant	37,000
Div. for Children Youth and Families (DCYF) Consultation	1,770
Assertive Community Treatment Team (ACT)	201,244
Emergency Services	66,295
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	28,291
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$357,400

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.

3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 5 FY16 CMHC Exhibit B

Contractor Initials:

Date:



JUN 02 2015



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. Fiscal Records: books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. Audit and Review: 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.
- 9.2. Audit Liabilities: 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services:** Disallowance of Costs: 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.
13. **Credits:** 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:
 - 13.1. 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.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or

Exhibit C – Special Provisions

Contractor Initials

PFW



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:
- 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:
- 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
- 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
- 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
- 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
- 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
- 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
- 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
- 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.

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9.5. The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.

9.5.1. The Contractor shall submit the following fiscal reports:

9.5.1.1. The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.

9.5.1.2. The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.

9.5.1.3. On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.

9.5.2. The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.

9.5.3. For required federal reports, the Contractor shall:

9.5.3.1. Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;

9.5.3.2. Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and

9.5.3.3. Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.

9.5.3.4. The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.

11. Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:

ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
 - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
 - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.

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13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.

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- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

Contractor Name:

6/2/15
Date

Philip Wyzak
Name:
Title: CEO



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name:

6/2/15
Date

Philip Kuznetsov
Name:
Title: CEO



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

The Contractor 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

PCW



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.

Contractor Name:

6/2/15
Date

Phyllis [Signature]
Name:
Title: CEO



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

The Contractor 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:

Contractor 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

Contractor Initials

PKW

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

Contractor Name:

6/2/15
Date

Phyllis W. ...
Name:
Title: CEO

Exhibit G

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

PFW

Contractor Initials _____



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 Contractor 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 Contractor 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.

Contractor Name:

6/2/15
Date

Philip Upp
Name:
Title: CEO



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

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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

pm
JUN 02 2015



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.

NH Dept of Health & Human Services
The State

Monadnock Family Services
Name of the Contractor

Kathleen Alvar
Signature of Authorized Representative

Philip Wyzik
Signature of Authorized Representative

Kathleen A Dunn
Name of Authorized Representative

Philip Wyzik
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

CEO
Title of Authorized Representative

6/4/15
Date

6/2/15
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:

6/2/15
Date

Name: Philip Uzzell
Title: CEO

Contractor Initials PW



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: 073966699
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:

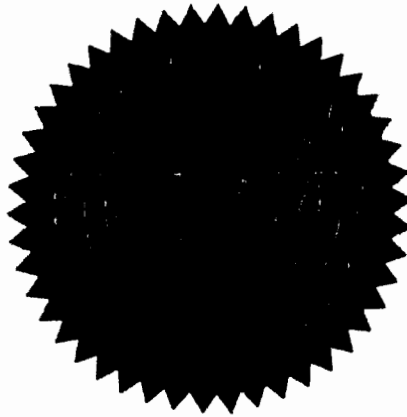
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

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 MONADNOCK FAMILY SERVICES is a New Hampshire nonprofit corporation formed March 5, 1924. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.

In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 23rd day of April, A.D. 2015



A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, **Robert Englund**, do hereby certify that:

1. I am the duly elected Clerk of **Monadnock Family Services**.
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on **May 28, 2015**.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services.**

RESOLVED: That the **Chief Executive Officer** hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 2, 2015.
4. Philip F Wyzik is duly elected Chief Executive Officer of the Corporation.

(Seal)
(Corporation)

Robert England
(Signature of Board Secretary)

State of New Hampshire

County of Cheshire

The foregoing instrument was acknowledged before me this second day of June, 2015

by (Robert England.



(Seal)
(Notary Public)

Laurie C. Morse
Name:)
Title: Notary Public/Justice of the Peace

Commission Expires: 10/6/2015



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/23/2015

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 Masiello Insurance Agency 69-A Island Street, Suite 1 Keene NH 03431		CONTACT NAME: Barbara Patnode, CPCU, Sr VP PHONE (AG No Ext): (603) 283-1841 FAX (AG No): (603) 352-8367 E-MAIL ADDRESS: barbarap@masiello.com	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: American States Ins Co - NIF	NAIC # 0207
		INSURER B: Peerless Insurance Company	24198
		INSURER C: General Ins Co of America - NIF	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 15-16 NIF & 14-15 IM **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	ADDITIONAL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	GENERAL LIABILITY					EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	<input checked="" type="checkbox"/>	01CE919572-0	1/23/2015	1/23/2016	MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> AI per written contract					PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> Employees/Volunteers AI					GENERAL AGGREGATE \$ 3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC					\$
B	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO		BA9097814	7/19/2014	7/19/2015	BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
						Uninsured Motorists - BI \$ 1,000,000
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR					EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 1,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		01SU41753820	1/23/2015	1/23/2016	\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input checked="" type="checkbox"/> N	WC9014927	7/19/2014	7/19/2015	E.L. EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$ 500,000
						E.L. DISEASE - POLICY LIMIT \$ 500,000
C	Professional Liability		HLP7767493L	1/23/2015	1/23/2016	Each Occurrence 1,000,000
	Occurrence Form					Aggregate limit 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
All licensed staff, clinicians, except for doctors/psychiatrists are covered under the Monadnock Family Services policies while employed at Monadnock Family Service. This Professional Liability provides Contingent Coverage for Monadnock Family Services for "actions of the doctor/psychiatrist" named in the suit. Primary coverage for the doctor/psychiatrist is not provided however is verified to be elsewhere. Certificateholder is named ADDITIONAL INSURED for General Liability per written contract

CERTIFICATE HOLDER	CANCELLATION
(603) 271-5040 slawrence@dhhs.state.nh.us	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
NH DHHS-Div of Community Based Services Bureau of Behavioral Health Sandy Lawrence 105 Pleasant Street Concord, NH 03301-6504	AUTHORIZED REPRESENTATIVE
	B Patnode, VP, CPCU/B <i>Barbara Patnode</i>

Monadnock Family Services, Inc.

Mission

Our mission is to be a source of health and hope for people and the communities in which they live. We foster mental and emotional wellness for individuals of all ages. We create services that heal, education that transforms, and advocacy that brings just a society.

Vision

MFS strives for respectful community response to the needs of citizens with mental illness and other behavioral disorders. Individuals and families will have access to support services and opportunities necessary to pursue a life course of their choosing.

Values

Respect: courteous regard toward all

Excellence: exceed expectations in all areas of service

Access: timely and affordable care

Innovation: pursuit of better care through creativity

Inclusion: full integration into community life

Learning: empowerment through knowledge

Collaboration: achieving goals through alliances

Independence: freedom to achieve self-determination

Financial Statements

MONADNOCK FAMILY SERVICES, INC.

FOR THE YEARS ENDED
JUNE 30, 2014 AND 2013
AND
INDEPENDENT AUDITORS' REPORT

*Leone,
McDonnell
& Roberts*
PROFESSIONAL ASSOCIATION

CIRCLE 10 PUBLIC ACCOUNTANTS

MONADNOCK FAMILY SERVICES, INC.

JUNE 30, 2014

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To the Board of Directors of
Monadnock Family Services, Inc.
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Monadnock Family Services, Inc. (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended June 30, 2014.

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 audit. We conducted our audit 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Monadnock Family Services, Inc. as of June 30, 2014 and 2013, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2014 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Monadnock Family Services, Inc.'s June 30, 2013 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 18, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional revenues on pages 18 - 20 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Leone, McDonnell & Roberts
Professional Association*

October 23, 2014
Wolfeboro, New Hampshire

MONADNOCK FAMILY SERVICES, INC.**STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2014 WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION****ASSETS**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014 Total</u>	<u>2013 Total</u>
CURRENT ASSETS					
Cash and equivalents	\$ 237,322	\$ 76,453	\$ -	\$ 313,775	\$ 227,217
Accounts receivable:					
Client fees	395,823	-	-	395,823	498,864
Medicaid and Medicare	904,044	-	-	904,044	675,163
Insurance	126,694	-	-	126,694	193,086
Other	14,317	-	-	14,317	118,838
Allowance for doubtful accounts	(521,193)	-	-	(521,193)	(658,658)
Prepaid expenses	46,202	-	-	46,202	62,625
Total current assets	<u>1,203,209</u>	<u>76,453</u>	<u>-</u>	<u>1,279,662</u>	<u>1,117,135</u>
PROPERTY					
Land	-	-	-	-	47,500
Furniture, fixtures and equipment	656,724	-	-	656,724	650,116
Vehicles	132,658	-	-	132,658	125,803
Building and leasehold improvements	94,341	-	-	94,341	165,987
Total	883,723	-	-	883,723	989,406
Less accumulated depreciation	<u>608,490</u>	<u>-</u>	<u>-</u>	<u>608,490</u>	<u>618,464</u>
Property, net	<u>275,233</u>	<u>-</u>	<u>-</u>	<u>275,233</u>	<u>370,942</u>
OTHER ASSETS					
Due from affiliates	65,252	-	-	65,252	65,849
Interest in net assets of Foundation	389,675	143,312	81,214	614,201	983,779
Total other assets	<u>454,927</u>	<u>143,312</u>	<u>81,214</u>	<u>679,453</u>	<u>1,049,628</u>
Total assets	<u>\$ 1,933,369</u>	<u>\$ 219,765</u>	<u>\$ 81,214</u>	<u>\$ 2,234,348</u>	<u>\$ 2,537,705</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES					
Demand notes payable	\$ 275,000	\$ -	\$ -	\$ 275,000	\$ 1,094,782
Current portion of capital lease obligations	20,486	-	-	20,486	46,415
Accounts payable	102,505	-	-	102,505	141,427
Due to State of New Hampshire	242,921	-	-	242,921	-
Accrued salaries, wages, and related expenses	418,727	-	-	418,727	284,061
Other current liabilities	22,187	-	-	22,187	46,342
Total current liabilities	<u>1,081,826</u>	<u>-</u>	<u>-</u>	<u>1,081,826</u>	<u>1,613,027</u>
LONG TERM LIABILITIES					
Capital lease obligations, net of current portion as shown above	4,777	-	-	4,777	24,414
Total long term liabilities	<u>4,777</u>	<u>-</u>	<u>-</u>	<u>4,777</u>	<u>24,414</u>
Total liabilities	<u>1,086,603</u>	<u>-</u>	<u>-</u>	<u>1,086,603</u>	<u>1,637,441</u>
NET ASSETS					
Unrestricted	846,766	-	-	846,766	608,394
Temporarily restricted	-	219,765	-	219,765	210,656
Permanently restricted	-	-	81,214	81,214	81,214
Total net assets	<u>846,766</u>	<u>219,765</u>	<u>81,214</u>	<u>1,147,745</u>	<u>900,264</u>
Total liabilities and net assets	<u>\$ 1,933,369</u>	<u>\$ 219,765</u>	<u>\$ 81,214</u>	<u>\$ 2,234,348</u>	<u>\$ 2,537,705</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014 WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014 Total</u>	<u>2013 Total</u>
CHANGES IN NET ASSETS					
Public support and revenue					
Program service fees	\$ 7,650,039	\$ -	\$ -	\$ 7,650,039	\$ 7,384,429
Donations	1,535,442	-	-	1,535,442	292,647
Federal funding	382,014	-	-	382,014	418,174
Other public support	241,247	-	-	241,247	173,984
United Way	210,499	-	-	210,499	229,500
Local/County government	169,646	-	-	169,646	136,060
Program sales	102,815	-	-	102,815	249,854
State of New Hampshire	74,346	-	-	74,346	93,719
Rental income	37,842	-	-	37,842	13,111
Net gain (loss) on beneficial interest in Foundation	(378,687)	9,109	-	(369,578)	46,965
Other income	35,062	-	-	35,062	69,312
Total public support and revenue	<u>10,060,265</u>	<u>9,109</u>	<u>-</u>	<u>10,069,374</u>	<u>9,107,755</u>
Expenses					
Program services					
Maintenance	1,059,703	-	-	1,059,703	2,179,472
Children & adolescents	2,520,408	-	-	2,520,408	1,327,763
Older adult services	828,691	-	-	828,691	988,606
Emergency services/assessment	680,092	-	-	680,092	693,383
Restorative partial hospital	83,294	-	-	83,294	659,391
Vocational services	121,365	-	-	121,365	643,517
Non-eligibles	419,033	-	-	419,033	535,814
Multi-service team	1,267,050	-	-	1,267,050	149,961
ACT team	296,571	-	-	296,571	96,194
Community residence	594,113	-	-	594,113	26,730
Supportive living	53,047	-	-	53,047	-
Community education & training	136,543	-	-	136,543	-
Other non-BBH	1,022,663	-	-	1,022,663	956,957
Supporting activities					
Administration	739,320	-	-	739,320	855,116
Total expenses	<u>9,821,893</u>	<u>-</u>	<u>-</u>	<u>9,821,893</u>	<u>9,112,904</u>
CHANGES IN NET ASSETS	238,372	9,109	-	247,481	(5,149)
NET ASSETS - BEGINNING OF YEAR	<u>608,394</u>	<u>210,656</u>	<u>81,214</u>	<u>900,264</u>	<u>905,413</u>
NET ASSETS - END OF YEAR	<u>\$ 846,766</u>	<u>\$ 219,765</u>	<u>\$ 81,214</u>	<u>\$ 1,147,745</u>	<u>\$ 900,264</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014 WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014 Total</u>	<u>2013 Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in net assets	\$ 238,372	\$ 9,109	\$ -	\$ 247,481	\$ (5,149)
Adjustments to reconcile change in net assets to net cash from operating activities:					
Depreciation and amortization	108,500	-	-	108,500	58,957
Change in allowance for doubtful accounts	(137,465)	-	-	(137,465)	23,663
(Gain) loss on beneficial interest in Foundation	378,687	(9,109)	-	369,578	(46,965)
Contributed property	-	-	-	-	(108,800)
(Increase) decrease in assets:					
Accounts receivable	45,073	-	-	45,073	32,688
Prepaid expenses	16,423	-	-	16,423	3,623
Other assets	-	-	-	-	124,046
Note receivable	-	-	-	-	(55,570)
Increase (decrease) in liabilities:					
Accounts payable	(38,922)	-	-	(38,922)	(13,176)
Due to State of New Hampshire	242,921	-	-	242,921	-
Accrued salaries, wages, and related expenses	134,666	-	-	134,666	26,959
Other current liabilities	(24,155)	-	-	(24,155)	2,559
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>964,100</u>	<u>-</u>	<u>-</u>	<u>964,100</u>	<u>42,835</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease in due from affiliate	597	-	-	597	(22,283)
Additions to property and equipment	(12,791)	-	-	(12,791)	(24,292)
NET CASH USED IN INVESTING ACTIVITIES	<u>(12,194)</u>	<u>-</u>	<u>-</u>	<u>(12,194)</u>	<u>(46,575)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Net repayment of capital lease obligations	(45,566)	-	-	(45,566)	(47,672)
Net borrowings (repayment) on demand notes payable	(819,782)	-	-	(819,782)	170,000
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	<u>(865,348)</u>	<u>-</u>	<u>-</u>	<u>(865,348)</u>	<u>122,328</u>
NET INCREASE IN CASH AND EQUIVALENTS	86,558	-	-	86,558	118,588
CASH AND EQUIVALENTS - BEGINNING OF YEAR	<u>150,764</u>	<u>76,453</u>	<u>-</u>	<u>227,217</u>	<u>108,629</u>
CASH AND EQUIVALENTS - END OF YEAR	<u>\$ 237,322</u>	<u>\$ 76,453</u>	<u>\$ -</u>	<u>\$ 313,775</u>	<u>\$ 227,217</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:					
Cash paid for interest				<u>\$ 36,679</u>	<u>\$ 42,600</u>
NON CASH OPERATING AND FINANCING ACTIVITIES					
Acquisition of equipment financed with capital lease				<u>\$ -</u>	<u>\$ 22,145</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

Continued

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Maintenance</u>	<u>Children & Adolescents</u>	<u>Older Adult Services</u>	<u>Emergency Services/ Assessment</u>	<u>Restorative Partial Hospital</u>	<u>Vocational Services</u>
PERSONNEL COSTS						
Salaries and wages	\$ 714,310	\$ 1,489,260	\$ 450,896	\$ 464,367	\$ 42,081	\$ 55,873
Employee benefits	142,541	447,049	130,941	84,782	7,839	19,215
Payroll taxes	53,369	122,526	37,027	37,214	3,502	4,555
PROFESSIONAL FEES						
Substitute staff	33,506	90,112	1,390	1,944	29	-
Audit fees	3,285	10,690	3,068	2,257	212	533
Legal fees	904	2,937	842	619	58	146
Other professional fees	1,230	1,611	275	47	4	11
STAFF DEVELOPMENT AND TRAINING						
Journals and publications	122	42	147	-	-	-
Conferences and conventions	1,359	1,862	298	859	15	37
Other staff development	2,361	1,482	318	846	106	72
OCCUPANCY COSTS						
Rent	59,173	109,518	59,524	43,971	20,400	24,706
Heating costs	44	-	-	-	-	-
Other utilities	5	16	5	3	-	1
Repairs and maintenance	1,122	4,304	1,940	733	551	178
Taxes	-	640	-	-	-	-
Other occupancy costs	5,490	8,804	8,117	4,173	285	1,686
CONSUMABLE SUPPLIES						
Office supplies and equipment	2,600	5,315	5,189	2,631	1,519	522
Building and household	1,048	1,692	1,319	776	139	241
Educational and training	-	589	-	-	-	-
Food	599	12,386	18,939	225	2,902	308
Medical supplies	3,333	724	766	81	-	-
Other consumable supplies	1,654	1,805	808	612	(195)	82
DEPRECIATION	4,458	11,929	34,834	3,334	212	759
EQUIPMENT RENTAL	1,426	4,971	1,399	884	228	205
EQUIPMENT MAINTENANCE	376	1,222	350	257	24	61
ADVERTISING	1,291	4,926	1,481	1,486	38	98
PRINTING	497	1,090	279	129	-	22
TELEPHONE	7,568	31,150	11,693	11,460	2,159	3,127
POSTAGE	265	992	209	202	38	49
TRANSPORTATION						
Staff	5,427	107,851	14,269	10,564	241	7,375
Clients	-	87	27,744	4	-	181
ASSISTANCE TO INDIVIDUALS						
Client services	911	13,810	982	103	413	19
INSURANCE						
Malpractice and bonding	3,569	9,505	2,682	1,340	126	317
Vehicles	-	-	5,089	-	-	-
Comprehensive property and liability	5,753	18,619	5,337	3,914	368	924
MEMBERSHIP DUES	89	690	297	272	-	1
INTEREST EXPENSE	-	-	99	-	-	-
OTHER	18	202	138	3	-	61
TOTAL FUNCTIONAL EXPENSES	<u>\$ 1,059,703</u>	<u>\$ 2,520,408</u>	<u>\$ 828,691</u>	<u>\$ 680,092</u>	<u>\$ 83,294</u>	<u>\$ 121,365</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

Continued

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Non-Eligibles</u>	<u>Multi-Service Team</u>	<u>ACT Team</u>	<u>Community Residence</u>	<u>Supportive Living</u>	<u>Community Education & Training</u>
PERSONNEL COSTS						
Salaries and wages	\$ 206,157	\$ 759,844	\$ 167,164	\$ 264,113	\$ 18,223	\$ 84,417
Employee benefits	65,071	226,734	58,134	78,220	1,238	20,777
Payroll taxes	16,053	62,863	13,745	22,029	1,454	7,351
PROFESSIONAL FEES						
Substitute staff	33,766	6,986	551	164,790	-	5
Audit fees	1,348	6,149	1,453	1,870	33	562
Legal fees	372	1,687	399	513	9	154
Other professional fees	40	142	30	39	1	11
STAFF DEVELOPMENT AND TRAINING						
Journals and publications	15	20	-	-	-	-
Conferences and conventions	914	775	100	1,127	122	61
Other staff development	718	3,766	14	182	12	5
OCCUPANCY COSTS						
Rent	44,809	45,854	16,965	6,216	29,911	6,400
Heating costs	1,502	19	-	-	-	-
Other utilities	847	9	2	3	-	1
Repairs and maintenance	494	2,297	541	2,381	11	366
Taxes	-	-	-	-	-	-
Other occupancy costs	9,012	6,600	2,114	69	-	2,164
CONSUMABLE SUPPLIES						
Office supplies and equipment	1,865	6,002	1,536	2,926	4	499
Building and household	349	1,628	454	4,662	1	75
Educational and training	-	-	-	-	-	-
Food	526	2,837	529	19,098	91	133
Medical supplies	683	119	281	400	25	-
Other consumable supplies	894	1,483	474	143	1	216
DEPRECIATION	2,114	8,993	2,015	3,789	33	567
EQUIPMENT RENTAL	1,015	2,671	559	989	3	419
EQUIPMENT MAINTENANCE	155	701	166	213	4	64
ADVERTISING	1,631	2,743	1,259	2,218	6	648
PRINTING	265	589	64	2	-	1,709
TELEPHONE	11,154	22,999	6,980	9,397	856	3,702
POSTAGE	926	615	129	31	-	128
TRANSPORTATION						
Staff	3,931	43,723	12,261	1,279	329	2,426
Clients	-	1,650	-	765	-	530
ASSISTANCE TO INDIVIDUALS						
Client services	57	31,850	5,262	535	603	57
INSURANCE						
Malpractice and bonding	9,693	3,651	863	1,110	20	334
Vehicles	-	-	-	1,756	-	324
Comprehensive property and liability	2,367	10,665	2,520	3,241	57	978
MEMBERSHIP DUES	285	494	2	2	-	1,460
INTEREST EXPENSE	-	-	-	-	-	-
OTHER	5	(108)	5	5	-	-
TOTAL FUNCTIONAL EXPENSES	<u>\$ 419,033</u>	<u>\$ 1,267,050</u>	<u>\$ 296,571</u>	<u>\$ 594,113</u>	<u>\$ 53,047</u>	<u>\$ 136,543</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Other Non-BBH</u>	<u>Total Programs</u>	<u>Administration</u>	<u>2014 Totals</u>	<u>2013 Totals</u>
PERSONNEL COSTS					
Salaries and wages	\$ 564,876	\$ 5,281,581	\$ 404,993	\$ 5,686,574	\$ 5,179,138
Employee benefits	143,492	1,426,033	82,499	1,508,532	1,257,877
Payroll taxes	45,343	427,031	26,532	453,563	415,903
PROFESSIONAL FEES					
Substitute staff	2,797	335,876	1,805	337,681	510,829
Audit fees	3,579	35,039	1,461	36,500	32,538
Legal fees	981	9,621	401	10,022	7,820
Other professional fees	24,407	27,848	15,325	43,173	39,150
STAFF DEVELOPMENT AND TRAINING					
Journals and publications	139	485	405	890	1,974
Conferences and conventions	4,815	12,344	358	12,702	18,065
Other staff development	199	10,081	622	10,703	12,384
OCCUPANCY COSTS					
Rent	60,147	527,594	68,981	596,575	537,099
Heating costs	-	1,565	-	1,565	674
Other utilities	5	897	63	960	1,138
Repairs and maintenance	1,470	16,388	1,591	17,979	24,285
Taxes	-	640	2,503	3,143	-
Other occupancy costs	8,821	57,335	20,269	77,604	91,764
CONSUMABLE SUPPLIES					
Office supplies and equipment	14,774	45,382	7,294	52,676	50,337
Building and household	1,341	13,725	980	14,705	13,014
Educational and training	200	789	-	789	255
Food	450	59,023	216	59,239	64,943
Medical supplies	63	6,475	56	6,531	5,505
Other consumable supplies	21,989	29,966	1,730	31,696	38,478
DEPRECIATION	30,925	103,962	4,538	108,500	58,957
EQUIPMENT RENTAL	1,374	16,143	2,434	18,577	23,245
EQUIPMENT MAINTENANCE	25,057	28,650	167	28,817	32,215
ADVERTISING	7,044	24,869	2,702	27,571	38,087
PRINTING	7,132	11,778	589	12,367	7,261
TELEPHONE	15,238	137,483	7,223	144,706	142,580
POSTAGE	10,838	14,422	2,181	16,603	16,549
TRANSPORTATION					
Staff	3,615	213,291	2,603	215,894	217,466
Clients	102	31,063	-	31,063	43,672
ASSISTANCE TO INDIVIDUALS					
Client services	-	54,602	-	54,602	53,081
INSURANCE					
Malpractice and bonding	2,125	35,335	866	36,201	37,038
Vehicles	-	7,169	-	7,169	5,691
Comprehensive property and liability	6,686	61,429	3,015	64,444	63,869
MEMBERSHIP DUES	1,955	5,547	1,747	7,294	4,087
INTEREST EXPENSE	4,676	4,775	34,004	38,779	43,475
OTHER	6,008	6,337	39,167	45,504	22,461
TOTAL FUNCTIONAL EXPENSES	<u>\$ 1,022,663</u>	<u>\$ 9,082,573</u>	<u>\$ 739,320</u>	<u>\$ 9,821,893</u>	<u>\$ 9,112,904</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

1. ORGANIZATION OF THE CORPORATION

Monadnock Family Services, Inc. (the Organization) is a nonprofit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs.

The Organization operates in the Monadnock region of the State of New Hampshire.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of Monadnock Family Services, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other assets and liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization.

Permanently Restricted: Reflects the historical cost of gifts (and in certain circumstances, the earnings from those gifts), subject to donor – imposed stipulations, which require the corpus to be invested in perpetuity to product income for general or specific purposes.

As of June 30, 2014 and 2013, the Organization had unrestricted, temporarily restricted and permanently restricted net assets.

Accounting 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

Cash Equivalents

The Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Property and Depreciation

Property and equipment are recorded at cost or, if donated, at estimated fair value at the date of donation. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Furniture, fixtures and equipment	3 - 10 Years
Vehicles	5 - 10 Years
Building and leasehold improvements	5 - 40 Years

Costs for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$108,500 and \$58,957 for the years ended June 30, 2014 and 2013, respectively.

Accrued Earned Time

The Organization has accrued a liability for future compensated leave time that its employees have earned and which is vested with the employee.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are provided or expenditures are incurred.

Revenue

Net patient revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, 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 are adjusted in future periods, as final amounts are determined.

A significant portion of patient revenue is derived from services to patients insured by third-party payors. The Organization receives reimbursement from Medicare, Medicaid and private third party payors at defined rates for services rendered to patients covered by these programs. The difference between established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising

The Organization expenses advertising costs as incurred.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting activities benefited.

Fair Value of Financial Instruments

FASB ASC Topic No. 820-10, *Financial Instruments*, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The carrying amount of cash, prepaid expense, other assets and current liabilities, approximates fair value because of the short maturity of those instruments.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an Organization that is not a private foundation under Section 509(a)(2).

Management has evaluated the Organization's tax positions and concluded that the Organization has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2010.

3. INTEREST IN NET ASSETS OF FOUNDATION

The Organization is the sole beneficiary of assets held by Monadnock Regional Foundation for Family Services, Inc. The Organization and the Foundation are considered financially interrelated Organizations under FASB ASC Topic No. 958-605, *Not-for-Profit Entities - Transfers of Assets to a Nonprofit Organization or Charitable Trust That Raises or Holds Contributions for Others*. The fair value of the Foundation's assets, which approximates the present value of future benefits expected to be received, was \$638,538 and \$1,007,178 at June 30, 2014 and 2013, respectively. The cost basis of the Foundation's assets was \$564,383 and \$866,066 at June 30, 2014 and 2013, respectively.

4. DEMAND NOTES PAYABLE

The Organization maintains the following demand notes payable:

Demand note payable with a bank, subject to bank renewal on June 30, 2013. The maximum amount available at June 30, 2013 was \$750,000. At June 30, 2013 the interest rate was stated at 4%. The note was renewable annually, collateralized by all of the business assets of the Organization and was guaranteed by a related nonprofit organization (see Note 11). At June 30, 2013 \$749,782 was outstanding under the demand note payable. During the year ended June 30, 2014 a donation was received from Monadnock Community Service Center, Inc., a related nonprofit organization, in the amount of \$749,782 to pay the demand note payable in full. The demand note was not renewed after it was paid off.

Demand note payable with a bank, subject to bank renewal on June 30, 2014. The maximum amount available at June 30, 2014 and 2013 was \$250,000. At June 30, 2014 and 2013 the interest rate was stated at 4%. The note is renewable annually, collateralized by all the business assets of the Organization and guaranteed by a related nonprofit organization (see Note 11). At June 30, 2014 and 2013, \$175,000 and \$245,000 was outstanding under this demand note payable.

During January 2013, the Organization entered into a demand note payable agreement with Monadnock Regional Foundation for Family Services, Inc. (a related party, see Note 11). The maximum amount available is \$100,000 and the interest rate is stated at 2.1%. At June 30, 2014 and 2013 \$100,000 was outstanding under the demand note payable.

For the years ended June 30, 2014 and 2013, interest expense under the demand notes payable was \$38,779 and \$43,475, respectively.

5. RESTRICTIONS ON NET ASSETS

The temporarily restricted net assets consist of a contribution received by the Organization that had not been spent for the specified purpose of the donor as of June 30, 2014 and 2013. The permanently restricted net assets consist of a beneficial interest in a Foundation.

6. RETIREMENT PLAN

The Organization maintains a retirement plan for all eligible employees. Under the plan employees can make voluntary contributions to the plan of up to approximately 15% of gross wages. All full-time employees are eligible to participate when hired, and are eligible to receive employer contributions after one year of employment. The Organization's discretionary contributions to the plan for the years ended June 30, 2014 and 2013 were \$48,084 and \$38,742, respectively.

7. CONCENTRATION OF RISK

For the years ended June 30, 2014 and 2013 approximately 66% and 73% respectively, of the total revenue was derived from Medicaid. The future existence of the Organization, in its current form, is dependent upon continued support from Medicaid.

Medicaid receivables comprise approximately 85% and 82% of the total accounts receivable balances at June 30, 2014 and 2013, respectively. The Organization has no policy for charging interest on past due accounts, nor are its accounts receivable pledged as collateral, except as discussed in Note 4.

8. OPERATING LEASE OBLIGATIONS

The Organization has entered into various operating lease agreements to rent certain facilities and office equipment. The terms of these leases range from one to ten years. Rent expense under these agreements aggregated \$615,152 and \$560,344 for the years ended June 30, 2014 and 2013, respectively.

The approximate future minimum lease payments on the above leases are as follows:

Year Ending <u>June 30</u>	<u>Amount</u>
2015	\$ 69,567
2016	14,934
2017	<u>510</u>
Total	<u>\$ 85,011</u>

See to Note 11 for information regarding a lease agreement with a related party.

9. CAPITAL LEASE OBLIGATIONS

The Organization has entered into capital lease agreements for computer software and computer equipment. The economic substance of the leases is that the Organization is financing the acquisition of the equipment through the leases. These capital leases have interest rates between 6.24% and 8.83%. These capital leases are due in monthly installments aggregating \$3,835 in June 2014 and \$4,632 in June 2013 and have maturity dates ranging from September 2014 through January 2016.

At June 30, 2014 and 2013 the Organization had gross capitalized costs of capital leases of \$124,269 and \$223,361, respectively, and accumulated depreciation of \$65,044 and \$55,716, respectively.

The remaining commitment under the lease agreements are as follows:

Year Ending <u>June 30</u>	<u>Amount</u>
2015	\$ 21,501
2016	<u>4,215</u>
Total minimum lease payments	25,716
Less: amount representing interest	<u>(453)</u>
Present value of net minimum lease payments	25,263
Less: amount due within one year	<u>(20,486)</u>
Long term portion of net minimum lease payments	<u>\$ 4,777</u>

10. MEDICAID CONTINGENCY PAYMENTS

During April 2013 the State of New Hampshire implemented a change in the entity that processes Medicaid payments for the State. During this transition the new service provider was initially unable to consistently reimburse service providers due to various issues. In order to aid the cash flow of service providers during the transition, the State of New Hampshire began disbursing cash in advance of service billings. After the initial disbursements to service providers the State of New Hampshire began reducing payments for billed services to the service providers by a portion of the advance payments. However, shortly thereafter, the State of New Hampshire stopped its policy of reducing

payments for billed services and stopped their recoupment of advance payments. As a result, the Organization has shown accounts receivable net of the net contingency payments made for the year ended June 30, 2013 of \$516,984. At June 30, 2014, \$242,921 was due to the State of New Hampshire. As of October 23, 2014, the date the financial statements were available to be issued, the Organization has entered into an agreement with the State of New Hampshire to repay the monies from January 2015 through June 2015.

11. RELATED PARTY TRANSACTIONS

Monadnock Family Services, Inc. is related to the following nonprofit corporations as a result of their articles of incorporation and common board membership.

<u>Related Party</u>	<u>Function</u>
Monadnock Community Service Center, Inc.	Provides real estate services and property management assistance.
Monadnock Regional Foundation for Family Services, Inc.	Endowment for the benefit of Monadnock Family Services, Inc.

Monadnock Family Services, Inc. has transactions with the above related parties during its normal course of operations. The significant related party transactions are as follows:

Due from Affiliate

At June 30, 2014 and 2013, the Organization had a receivable due from Monadnock Regional Foundation for Family Services, Inc. in the amount of \$19,287 and \$18,049, respectively. At June 30, 2014 and 2013, the Organization had a receivable due from Monadnock Community Service Center, Inc. in the amount of \$45,965 and \$47,800, respectively. There are no specific terms of repayment and no stated interest.

Rental Expense

The Organization leases office space from Monadnock Community Service Center, Inc. under the terms of tenant at will agreements. Monadnock Family Services, Inc. has the perpetual right to extend the leases. Total rental expense paid under the terms of the leases was \$540,755 and \$493,140 for the years ended June 30, 2014 and 2013, respectively.

Management Fee

The Organization charges Monadnock Community Service Center, Inc. for administrative expenses incurred on its behalf. Management fee revenue aggregated \$49,580 and \$51,446 for the years ended June 30, 2014 and 2013, respectively.

Demand Note Payable

The Organization maintains a demand note payable agreement with Monadnock Regional Foundation for Family Services, Inc.

During January 2013, the Organization entered into a demand note payable agreement with Monadnock Regional Foundation for Family Services, Inc. (see Note 4). At June 30, 2014 and 2013 \$100,000 was outstanding under the demand note payable. Interest expense under the demand note payable was \$2,100 and \$875 for the years ended June 30, 2014 and 2013, respectively.

Guarantee

For the years ended June 30, 2014 and 2013, Monadnock Community Service Center, Inc. is a guarantor of one of the Organization's line of credit (see Note 4). For the year ended June 30, 2013, Monadnock Regional Foundation for Family Services, Inc. was a guarantor of one of the Organization's lines of credit (see Note 4).

Co-obligation

The Organization is co-obligated on certain mortgage notes of Monadnock Community Service Center, Inc.

12. CONTINGENCIES

Grant Compliance

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Organization might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of June 30, 2014.

13. PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2013, the Foundation discovered that it has not properly recorded a contribution as temporarily restricted. The 2012 financial statements have been restated for this error. The effect of the adjustment was to decrease unrestricted net assets by \$126,213 and increase temporarily restricted net assets by \$126,213. The impact of the restatement on the Organization's financial statements for the year ended June 30, 2012 is summarized below.

	<u>Balances as Previously Reported</u>	<u>Increase (Decrease)</u>	<u>Balances as Restated</u>
Statement of Financial Position			
Temporarily Restricted			
Net Assets	\$ 76,453	\$ 126,213	\$ 202,666
Permanently Restricted			
Net Assets	81,214	-	81,214
Unrestricted Net Assets	<u>747,746</u>	<u>(126,213)</u>	<u>621,533</u>
Total Net Assets	<u>\$ 905,413</u>	<u>\$ -</u>	<u>\$ 905,413</u>

14. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances that, at times may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at June 30, 2014 and 2013. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with these accounts. At June 30, 2014, cash balances in excess of FDIC coverage aggregated \$65,358. There were no cash balances in excess of FDIC coverage at June 30, 2013.

15. RECLASSIFICATIONS

Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. These classifications had no effect on the previously reported results of operations or retained earnings.

16. 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 financial statements. Management has evaluated subsequent events through, October 23, 2014, the date when the financial statements were available to be issued.

MONADNOCK FAMILY SERVICES, INC.

Continued

**SCHEDULE OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Maintenance</u>	<u>Children & Adolescents</u>	<u>Older Adult Services</u>	<u>Emergency Services/ Assessment</u>	<u>Restorative Partial Hospital</u>	<u>Vocational Services</u>
Program fees:						
Net client fees	\$ (5,367)	\$ 952	\$ 130,343	\$ 27,901	\$ 3,351	\$ (5,755)
Medicaid	399,591	2,958,054	450,053	222,703	62,815	75,517
Medicare	121,685	-	3,947	5,060	140	-
Other Insurance	623,653	85,918	14,799	(18,229)	(28,672)	(25,202)
Other program fees	-	135	-	-	-	-
Program Sales:						
Service and Production	-	17,811	-	10,000	-	-
Public Support:						
United Way	-	-	31,245	39,312	-	-
Local/County Government	8,840	21,756	-	25,000	-	-
Donations	-	1,655	23,742	-	-	-
Other public support	-	69,399	100,834	-	-	-
State of New Hampshire - BDAS	-	-	-	-	-	-
Federal Funding:						
Other Federal Grants	-	-	16,546	-	-	-
PATH	-	-	-	36,996	-	-
Bureau of Behavioral Health	-	-	-	153,639	-	-
Rental Income	-	-	-	-	-	-
Net (loss) gain on beneficial interest in Foundation	-	-	-	-	-	-
Other	<u>(106,632)</u>	<u>165</u>	<u>5,734</u>	<u>17,466</u>	<u>4,986</u>	<u>4,374</u>
TOTAL FUNCTIONAL REVENUES	<u>\$ 1,041,770</u>	<u>\$ 3,155,845</u>	<u>\$ 777,243</u>	<u>\$ 519,848</u>	<u>\$ 42,620</u>	<u>\$ 48,934</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

Continued

**SCHEDULE OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Non-Eligibles</u>	<u>Multi-Service Team</u>	<u>ACT Team</u>	<u>Community Residence</u>	<u>Supportive Living</u>	<u>Community Education & Training</u>
Program fees:						
Net client fees	\$ 12,182	\$ 83,046	\$ 7,473	\$ (12,618)	\$ 257	\$ 2,433
Medicaid	33,505	1,659,872	326,110	736,227	8,181	-
Medicare	7,767	(2,527)	2,372	390	-	-
Other Insurance	117,804	(368,886)	(45,610)	(55,315)	(2,367)	-
Other program fees	-	420	-	32,094	3,837	-
Program Sales:						
Service and Production	-	5,934	-	-	-	19,490
Public Support:						
United Way	65,154	-	-	-	-	45,254
Local/County Government	114,050	-	-	-	-	-
Donations	5,177	1,250	-	4,000	-	6,994
Other public support	-	6,792	-	-	2,400	61,847
State of New Hampshire - BDAS	74,346	-	-	-	-	-
Federal Funding:						
Other Federal Grants	-	(10,948)	-	-	-	-
PATH	-	-	-	-	-	-
Bureau of Behavioral Health	-	19,741	82,999	-	-	-
Rental Income	-	-	-	5,749	24,893	-
Net (loss) gain on beneficial interest in Foundation	-	-	-	-	-	-
Other	<u>(3,467)</u>	<u>69,474</u>	<u>7,782</u>	<u>9,698</u>	<u>442</u>	<u>29</u>
TOTAL FUNCTIONAL REVENUES	<u>\$ 426,518</u>	<u>\$ 1,464,168</u>	<u>\$ 381,126</u>	<u>\$ 720,225</u>	<u>\$ 37,643</u>	<u>\$ 136,047</u>

See Notes to Financial Statements

MONADNOCK FAMILY SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2014
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Other Non-BBH</u>	<u>Total Programs</u>	<u>Administration</u>	<u>2014 Totals</u>	<u>2013 Totals</u>
Program fees:					
Net client fees	\$ -	\$ 244,198	\$ -	\$ 244,198	\$ 225,050
Medicaid	-	6,932,628	-	6,932,628	6,609,516
Medicare	-	138,834	-	138,834	103,821
Other Insurance	-	297,893	-	297,893	427,413
Other program fees	-	36,486	-	36,486	18,629
Program Sales:					
Service and Production	-	53,235	49,580	102,815	249,854
Public Support:					
United Way	29,534	210,499	-	210,499	229,500
Local/County Government	-	169,646	-	169,646	136,060
Donations	1,492,624	1,535,442	-	1,535,442	292,647
Other public support	(25)	241,247	-	241,247	173,984
State of New Hampshire - BDAS	-	74,346	-	74,346	93,719
Federal Funding:					
Other Federal Grants	81,050	86,648	-	86,648	144,332
PATH	-	36,996	-	36,996	37,500
Bureau of Behavioral Health	-	256,379	1,991	258,370	236,342
Rental Income	-	30,642	7,200	37,842	13,111
Net (loss) gain on beneficial interest in Foundation	-	-	(369,578)	(369,578)	46,965
Other	-	10,051	25,011	35,062	69,312
TOTAL FUNCTIONAL REVENUES	<u>\$ 1,603,183</u>	<u>\$ 10,355,170</u>	<u>\$ (285,796)</u>	<u>\$ 10,069,374</u>	<u>\$ 9,107,755</u>

See Notes to Financial Statements

**Monadnock Family Services
Board of Directors
2014 / 2015**

CHAIR

Alfred John Santos

VICE CHAIR

Jane Larmon

TREASURER

Jill Batty

SECRETARY

Dr. Robert Englund

ASST SECRETARY

Nancy Vincent

Tom Casey

Mike Chelstowski

Elizabeth Cleary

Diane Croteau

Susan Doyle

JoAnn Fenton

Ann Heffernon

Steve McGreal

Sharon Price Stout

Winston Sims

Louise Zerba

Philip F. Wyzik MA

EXPERIENCE

Monadnock Family Services, 64 Main St, Keene NH

Chief Executive Officer (Current)

Responsible for all aspects of the leadership of a community mental health center in Cheshire County. Services focus on clientele considered eligible for state supported care, out patient behavioral health counseling, prevention services and adult care for seniors.

The Mental Health Association of Connecticut, 20-30 Beaver Rd, Wethersfield CT 06109

President and CEO (9-08 to 6 -1-12)

Responsible for all aspects of executive leadership of a \$9 million dollar private not for provide mental health agency. Services offered to adults with severe and persistent mental illness include housing, psychosocial rehabilitation, and supported employment; provide leadership and supervision to Executive staff and Program Directors. Work includes interface and coordination with Board of Directors, direct supervision of advocacy, lobbying and public education efforts.

West Central Behavioral Health, Inc., 9 Hanover St, Lebanon, New Hampshire 03766

Senior Vice President of Operations (1-91 to 9-08)

Responsible for the executive leadership and management of a private not-for-profit community mental health center. Duties include: **Program development and performance management:** responsible development and monitoring of annual operation plan to achieve key service outcomes and fiscal effectiveness, internal quality assurance and management, including leading workgroups to implement new treatment paradigms and improvements. Accomplished successful grant applications and negotiated contracts, including US Government contract procurement and management under the Javitts Wagner O'Day program. Assisted with marketing and internal and external customer service. Planned conversion of two day rehab programs into pioneering supported employment service.

Supervision and training of agency leaders: responsible for personnel development, quality assurance and risk management; designed and implemented a new, proactive employee review and development process. Planned and supervised the renovation and relocation of three clinical offices. Lead agency wide staff satisfaction survey process; developed work life committee to improve employee input into agency decisions.

Public Relations / fundraising: Conceived, organized and promoted all aspects of a two day fundraiser ("Paddlepower") that increased public awareness about suicide and visibility for the agency. Current member of NH Suicide Prevention Advisory Committee and Garrett Lee Smith Advisory Committee.

Information Technology: Supervised IT department of three FTEs since 2006, including the implementation of an electronic medical record for improved clinical flow, efficiency and compliance. Lead system improvement efforts to accommodate regulatory and reimbursement changes and mandates, and accompanying staff training efforts.

Substitute for the CEO: Handle internal, external, and State responsibilities.

Little Rivers Health Care Inc, PO Box 377, Bradford VT

Interim Chief Executive Officer (Sept 2005 to June 2006)

Under management service agreement with current employer, served as first CEO of a Federally Qualified Health Center. Duties involved all aspects of merging three disparate primary care offices into one organization. Developed initial Human Resource policies and plans, facilitated clinical and quality policy development, initiated start up fiscal plan and structure. Served as the liaison to Health Resource Services Administration Office of Grants Management and Project Development and facilitated development of Board members. Elected to the Board of Directors of Bi State Primary Care Association.

University System of New Hampshire, Granite State College

Faculty Member (November 2000 to present)

Teaching HLTC 600 *Continuous Quality Improvement*, HLTC 629 *Legal and Ethical Issues in Health and Human Services*, and HLTC 627 *Financing and Reimbursement in Healthcare*, and HLTC 550 *The US Healthcare Industry* (all online courses.) Taught numerous students on independent contract learning projects. Familiar with Blackboard, WebCT, and Moodle course management systems.

Worcester Area Community Mental Health Center, Inc, Worcester, Ma. 01609

Director of Rehabilitation (12-84 to 12-90)

Organized and lead social/vocational rehabilitation department serving mentally ill adults. Responsibilities included: Day-to-day management of a psychosocial rehabilitation program for severely mentally ill adults, program development, strategic planning and evaluation activities. Assisted in interdepartmental and interagency communication and public relations. Primary liaison to Mass Rehab Commission for vocational rehabilitation. Completed grant applications, hired and supervised staff; Held previous roles including Program Coordinator, Rehabilitation Counselor, Group Leader and Clinician.

Chandler St. Center, Inc., 162 Chandler St., Worcester, Ma. 01609

Substance Abuse Counselor (5-83 to 12-84)

Performed intake, crisis intervention, assessment, case management and addiction therapy around heroin and cocaine abuse for teen and adult clients. Facilitated support groups and completed court ordered assessments.

St. Joseph Church, 41 Hamilton St, Worcester, Ma. 01604

Religious Education Coordinator (6-81 to 6-83)

Supervised and coordinated all aspects of church based education program; recruited and trained volunteer teachers. Provided instruction for child, teen and adult classes.

Notre Dame High School, Fitchburg, Ma.

Teacher (9-82 to 6-83) – Taught junior and senior high students in Religious Education and substitute taught Spanish I.

St Joseph School, Somerville, Ma.

Teacher (9-78 to 6-80) -- Instructed five grade levels in Religion, Art, and Social Studies.

COMMUNITY SERVICE

Outreach House, Hanover NH (501.3C assisted living facility for nine seniors)

Board of Director, October 1998 to 2000 [approximately]

Ivy Place Condominiums, Lebanon NH (50 unit condominium facility)

Board of Director, 1992 thru 1997 [approximately]

Lebanon Riverside Rotary

Club member, chair of International Services Committee, 1992 thru 1996

EDUCATION

Master of Arts, Counseling Psychology, Assumption College, Worcester Ma. 1984.

Bachelor of Arts, Religious Studies (magna cum laude), Assumption College, Worcester, Ma. 1978.

- “Leadership Upper Valley,” May 2008 sponsored by the Lebanon Chamber of Commerce.
- “Institute for Non Profit Management,” Antioch New England Graduate School, Hanover, NH, Spring 2004.
- “FIPSE (Fund for Improvement of Postsecondary Education) Training for Part Time Faculty Teaching Adult Learners,” College for Lifelong Learning, Concord, NH, Fall, 2002.
- “Improving Managerial Leadership and Effectiveness”, “The Art of Negotiation,” “Delivering Superior Customer Service,” and “Contract Pricing,” NISH Institute for Leadership and Professional Development.

PUBLICATIONS

Munetz MD, Birnbaum A, Wyzik PF: An Integrative Ideology to Guide Community Based Multidisciplinary Care of Severely Mentally Ill Patients. Hospital and Community Psychiatry, June 1993, vol. 44, no 6.

Drake RE, Becker DR, Biesanz JC, Torrey WC, McHugo GJ, Wyzik PF: Rehabilitative Day Treatment vs Supported Employment: I Vocational Outcomes. Community Mental Health Journal, October 1994;30:519-532.

Torrey W, Clark RE, Becker D, Wyzik P, Drake RE: Switching from Rehabilitative Day Treatment to Supported Employment. Continuum: Developments in Ambulatory Care, Jossey-Bass Inc. Spring, 1997, vol 4, no 1.

Drake RE, Becker D, Biesanz J, Wyzik P: Day Treatment Versus Supported Employment for Persons with Severe Mental Illness: A Replication Study. Psychiatric Services, October 1996, vol 47, no 10.

Becker D, Torrey W, Toscano R, Wyzik P, Fox T: Building Recovery Oriented Services: Lessons from Implementing IPS in Community Mental Health Centers. Psychiatric Rehabilitation Journal, Summer 1998, vol 22, no 1.

Torrey, W, Wyzik PF: New Hampshire Clinical Practice Guidelines for Adults in Community Support Programs, (unpublished monograph).

Torrey, W. Wyzik PF: The Recovery Vision as a Service Improvement Guide for Community Mental Health Journal, April 2000, vol 36, No 2.

Torrey, W, Drake RE, Cohen M, Fox L, Lynde D, Gorman P, and Wyzik PF: The Challenge of Implementing and Sustaining Integrated Dual Disorders, Community Mental Health Journal, December 2002, Vol 38, no 6.

Salyers MP, Becker DR, Drake RE, Torrey WC, and Wyzik PF: A Ten Year Follow up of Supported Employment (in press).

Torrey WC, Finnerty M, Evans A, Wyzik P: Strategies for leading the implementation of Evidence-based practices, Psychiatric Clinics of North America, 26(4): 883-897, 2003.

Wyzik L, “Grassroots Armada for Suicide Prevention” Behavioral Healthcare Tomorrow, 14(4): 14-15, 2005.

AWARDS

Named Administrator of the Year, October 1994, by the New Hampshire Alliance for the Mentally Ill.

PRESENTATIONS

- “The Legacy of Clifford Beers.” Presented June 12, 2009 at Centennial Conference, Mental Health America, Washington DC.
- “Thinking of a Change?” Implementing the new NH Medicaid rule in the mental health center, for the Bureau of Behavioral Health, March 27, 28, 2007.
- “Suicide Prevention: Friend raising, Fundraising” at US Psychiatric Rehabilitation Association 30th annual conference, Philadelphia PA, May 24, 2005.
- “Teamwork in Residential Settings” for the Therapeutic Living Community, Norwich CT, April 2003, on behalf of the West Institute of the NH Dartmouth Psychiatric Research Center.
- “Vocational Rehabilitation System’s Change” – two day personal consultation for Terros, 3118 E McDowell Rd, Phoenix, Arizona, April 2000.
- “Recovery and Systems Thinking,” Value Options, Phoenix AZ, July28, 1999.
- “CMHC Cultures that Work for Work,” Following Your Dreams Conference, Nashua NH, May 21, 1999.
- “IPS Implementation, Tools and Recovery,” IPS Plus Project, Regional Research Institute, Portland, Oregon, May 14, 1999.
- “Implementing IPS,” Options for Southern Oregon, Grants Pass Oregon, May 13, 1999.
- “Facilitating Recovery by Effectively Supporting Work,” Value Options Best Practices Summit IV, Boston MA, Oct. 21-23, 1998.
- “Health Care as a System: Case Management,” Executive Directors, NH Division of Behavioral Health, Concord, NH, July 15, 1998.
- “Implementing Individual Placement and Support: Obstacles and Solutions,” Western Region Best Practice Conference, Colorado Health Network, Santa Fe NM, Dec. 4-5, 1997.
- “Supported Employment as an Important Element in the Process of Recovering from Severe Mental Disorders,” New England IPS Retreat, Newport RI, June 5, 1997.
- “From Day Treatment to Vocational Services,” New England IAPSRs Conference, June 1995.
- “Work in the Community: Two Program Conversion Success Stories,” Institute for Community Inclusion, Auburn, MA, October 1994.

REFERENCES:

Neugeboren, J, Transforming Madness, William Morrow and Co, 1999, pgs 153-154, 157-159, 163, 164, 170.
 Personal references furnished upon request.

KEY ADMINISTRATIVE PERSONNEL - FY2016

MONADNOCK FAMILY SERVICES

Postion	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Philip Wyzik	1.00	\$ 130,000.00	\$ 53,368.06	41%
Chief Financial Officer	Gigi Batchelder	1.00	\$ 79,547.00	\$ 32,655.92	41%
Medical Director	Marianne Marsh	1.00	\$ 188,700.00	\$ 77,465.80	41%
Chief Operations Officer	Katherine Marks	0.00	\$ -	\$ -	#DIV/0!


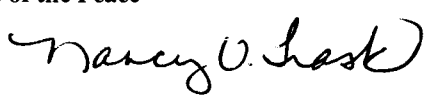
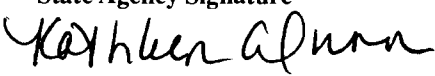
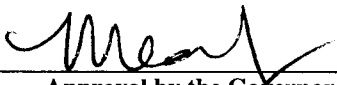
Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Community Council of Nashua, NH DBA Greater Nashua Mental Health Center at Community Council		1.4 Contractor Address 100 West Pearl Street Nashua, NH 03060	
1.5 Contractor Phone Number 603-889-6147	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation 1,009,000
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Michael DiMarco, Finance Manager	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of Rockingham <u>Hillsborough</u> On <u>6/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]		 NANCY V. TRASK, Notary Public My Commission Expires April 27, 2010	
1.13.2 Name and Title of Notary or Justice of the Peace Nancy V. Trask Human Resource Manager, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. York - Attorney On: <u>6/8/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement (“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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 (“Equal Employment Opportunity”), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

- 9.1 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.
- 9.2 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.
- 9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
 - 14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and
 - 14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (AP RTP).



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. Days of Cash on Hand:

- a. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.
- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3)



- months and should not include common stock.
- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.
2. **Current Ratio:**
- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
 - b. Formula: Total current assets divided by total current liabilities.
 - c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.
3. **Debt Service Coverage Ratio:**
- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
 - b. Definition: The ratio of Net Income to the year to date debt service.
 - c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
 - d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
 - e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.
4. **Net Assets to Total Assets:**
- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
 - b. Definition: The ratio of the Contractor's net assets to total assets.
 - c. Formula: Net assets (total assets less total liabilities) divided by total assets.
 - d. Source of Data: The Contractor's Monthly Financial Statements.
 - e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractors cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.

- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent



to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or
 - d. Staff training for collecting new data elements.



2. Costs associated with developing other BBH-requested data reporting system.
3. The Contractor shall be reimbursed for costs as defined in Exhibit B.

D. Other conditions for payment:

1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 1. Gym Membership;
 2. In SHAPE (includes gym membership);
 3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).



- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.



- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;
 - 4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This



- would also include identifying trends, gaps and barriers to treating this population;
5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless



individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.

- B. At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C. The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D. The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E. The Contractor shall comply with all reporting requirements under the PATH Grant.
- F. The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G. As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

XXV. CHILDREN'S ACT TEAM WRAPAROUND

- A. The Contractor shall establish/maintain a Children's ACT team providing a specialized multidisciplinary that provides an intensive community based services for children and families living with serious emotional disturbance (SED). These intensive services include multiple visits to the child and family in settings that most effectively meet their needs, and can be as frequent as daily. They may take place at the child's school, home or other community settings. The team is responsible for directly providing a full array of services as defined in He-M 426, and delivered, within the context of a community wraparound team which places the child and the family at the center of treatment decisions. Services defined include:
 - 1. Functional Support Services (FSS);
 - 2. Individual and Family Therapy;
 - 3. Medication Services;
 - 4. Targeted Case Management (TCM) Services; and
- B. Children's ACT team services are intended for children and adolescents who meet State eligibility criteria for Serious Emotional Disturbance (SED) or Serious Emotional Disturbance with Interagency Involvement (SED-IA), as defined in Administrative Rule He-M 401. In addition, children and adolescents served by the ACT team can also



present with difficulties successfully engaging in traditional treatment programs, and can present with challenging and complex treatment needs that have frequently not responded to prior treatment interventions. Children who are prioritized for ACT team services also have a history of multiple psychiatric hospitalizations, and/or frequent visits to hospital emergency departments for psychiatric crisis, and present with ongoing difficulties at school, and/or multiple interactions with law enforcement.

- C. Children's ACT teams shall be comprised of nursing staff, a psychiatrist, case managers, functional support specialists, and master's level clinicians. Clinician ratio to individuals served is 1:10, no more than 1:15. The team has extended evening hours that are most conducive to the needs of the child and the family. The team is set up to either:
 - 1. Directly provides Emergency Services on call, twenty-four (24) hours a day for individuals served by the team; or
 - 2. Has a well-articulated plan to ensure the CMHC Emergency Services team is informed of the needs of any individual served by the team, is updated on pertinent changes in status, and has available to them a well-articulated crisis plan should the family request services after hours.
- D. The Contractor shall notify DHHS when not in compliance with the staffing pattern or programmatic model listed in this section, and shall submit a corrective action plan.

XXVI. DEAF SERVICES

Deaf Services funds provide services to the hearing impaired. These funds pay for one (1) deaf services therapist, one (1) deaf services case manager, and one (1) deaf services coordinator. The coordinator is responsible for coordinating deaf services in the community, at New Hampshire Hospital, and the Secure Psychiatric Unit at the State Prison.

XXVII. RENTAL HOUSING SUBSIDY

Funds will be used to provide housing subsidies to individuals with severe mental illness.

Region 6 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

- A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
- B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.150
Federal Agency: U.S. Department of Health and Human Services
Program Title: Projects for Assistance in Transition from Homelessness (PATH) PL 101-645
FAIN: SM016030-14

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

- C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731
6. 05-95-49-490510-2985-102-500731

- D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
- E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.
- F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:
 - a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
 - b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.

G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Assertive Community Treatment Team (ACT)	301,244
Deaf Services	326,500
Homeless and Housing Federal Grant	40,300
Div. for Children Youth and Families (DCYF) Consultation	1,770
Housing	201,444
Emergency Services	30,955
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	83,987
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$1,009,000

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.

3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 6 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEO on file and submit an EEO Certification Form to the OCR, certifying that its EEO is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEO Certification Form to the OCR certifying it is not required to submit or maintain an EEO. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEO requirement, but are required to submit a certification form to the OCR to claim the exemption. EEO Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis

New Hampshire Department of Health and Human Services
Exhibit C



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:

 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:

 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.

 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:

 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
 - 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
 - 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
 - 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
 - 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
 - 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
 - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
 - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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)

7 Prospect St Nashua NH 03060 100 W. Pearl St, Nashua NH 03060
15 Prospect St Nashua NH 03060 440 Amherst St, Nashua NH

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

Contractor Name:

Community Council of Nashua NH
dba Greater Nashua Mental Health Center

Name: Michael DiMuro

Title: Finance Manager

June 3, 2015

Date

Contractor Initials MD

Date 6/3/15



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

6/3/2015
Date

Contractor Name:
*Community Council of Nashua NH
dba Greater Nashua Mental Health Center*
[Signature]
Name: *Michael DiMarco*
Title: *Finance Manager*



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

The Contractor 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 (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.

6/21/2015
Date

Contractor Name:
*Community Council of Nashua NH
the Greater Nashua Mental Health Center*

Name: *Michael D. Mario*
Title: *Finance Manager*



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

The Contractor 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:

Contractor 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

Contractor Initials ND

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

6/3/2015
Date

Contractor Name:
Community Council of Nashua NH
dba Greater Nashua & Merrimack Health Center
[Signature]
Name: Michael DiMarco
Title: Finance Manager

Exhibit G

Contractor Initials MD

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

Date 6/3/15



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 Contractor 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 Contractor 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.

Contractor Name:

*Community Council of Nashua NH
One Archer Nashua Mental Health Center*

Name: *Michael DiMarco*

Title: *Finance Manager*

6/3/25
Date



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

NH Dept of Health & Human Services
The State

Kathleen Alwan
Signature of Authorized Representative

Kathleen A. Dunn
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6/4/15
Date

Community Council of Nashua NH
aka Greater Nashua Mental Health Center
Name of the Contractor

Michael D. Marco
Signature of Authorized Representative

Michael D. Marco
Name of Authorized Representative

Finance Manager
Title of Authorized Representative

June 3, 2015
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:

*Community Council of Nashua NH
dba Greater Nashua Mental Health Center*

[Signature]

Name: *Michael DiMario*

Title: *Finance Manager*

June 3, 2014
Date



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: 018249623
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:

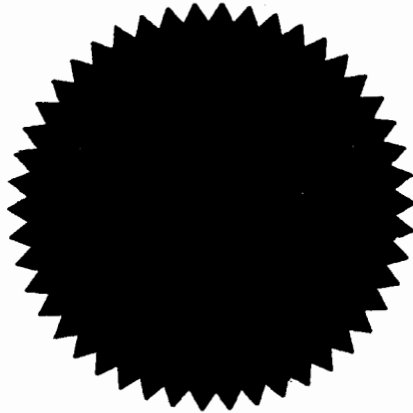
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 THE COMMUNITY COUNCIL OF NASHUA, N.H. is a New Hampshire nonprofit corporation formed December 24, 1923. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



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 April, A.D. 2015

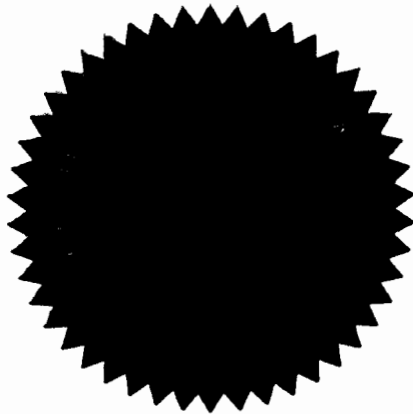
A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner
Secretary of State

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 Greater Nashua Mental Health Center at Community Council is a New Hampshire trade name registered on October 21, 2008 and that THE COMMUNITY COUNCIL OF NASHUA, N.H. presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



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 April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Jone LaBombard, Board Secretary, do hereby certify that:

1. I am the duly elected Clerk of Community Council of Nashua, NH
DBA Greater Nashua Mental Health Center at Community Council
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on June 3, 2015.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services**

RESOLVED: That the Finance Manager hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of **June 3, 2015.**

4. **Michael DiMarco** is duly elected **Finance Manager** of the Corporation.

(Seal)
(Corporation)

Jane D LaBombard
(Signature of Board Secretary)

State of **New Hampshire**

County of **Hillsborough**

The foregoing instrument was acknowledged before me this **3rd** day of **June, 2015**

by **Jone LaBombard.**

Nancy V. Trask
Name: **Nancy Trask-Notary Public**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: **April 27, 2016**

NANCY V. TRASK, Notary Public
My Commission Expires April 27, 2016



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/2/2015

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 Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03061		CONTACT NAME: Cathy Beauregard PHONE (A/C, No, Ext): 603-689-7229 FAX (A/C, No): 603-886-4230 E-MAIL ADDRESS: cbeauregard@eatonberube.com	
		INSURER(S) AFFORDING COVERAGE	
		NAIC #	
INSURED Community Council of Nashua NH Inc. 100 West Pearl Street Nashua NH 03060		INSURER A : Scottsdale Insurance Co INSURER B : Acadia Insurance Company INSURER C : Liberty Mutual Fire Ins Co INSURER D : INSURER E : INSURER F :	

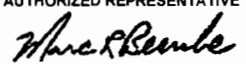
COVERAGES **CERTIFICATE NUMBER:** 385999360 **REVISION NUMBER:**

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	GENERAL LIABILITY <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			OPS00066510	11/12/2014	11/12/2015	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			CAA000406531	11/12/2014	11/12/2015	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 type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			UMS0027690	11/12/2014	11/12/2015	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
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	WC531S389134015	1/15/2015	1/15/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER 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 Liability Claims Made Retro Date: 11/12/1986			OPS00066510	11/12/2014	11/12/2015	\$5,000,000 Each Claim \$5,000,000 Aggregate

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

Workers Compensation Information: No Excluded officers; coverage for NH.

CERTIFICATE HOLDER	CANCELLATION 30
The Bureau of Behavioral Health c/o Sandy Lawrence Rm 210S 105 Pleasant Street, Main Bldg. 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 

COMMUNITY COUNCIL OF NASHUA, NH
DBA
Greater Nashua Mental Health Center at Community Council

MISSION

**Greater Nashua Mental Health Center
at Community Council works with the community
to meet the mental health needs of its residents by
providing evaluation, treatment, resource
development, education, and research.**

Community Council of Nashua, NH

Audited Financial Statements
and Other Financial Information

Year Ended June 30, 2014
(With Certain Financial Information Presented
for the Year Ended June 30, 2013)
With Independent Auditors' Report

COMMUNITY COUNCIL OF NASHUA, NH

**Audited Financial Statements
and Other Financial Information**

**Year Ended June 30, 2014
(With Certain Financial Information Presented
for the Year Ended June 30, 2013)**

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BAKER NEWMAN NOYES

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Council of Nashua, NH

Report on the Financial Statements

We have audited the accompanying financial statements of Community Council of Nashua, NH which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, revenues and functional expenses and cash flows for the year then ended, and the related notes to 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 audit. We conducted our audit 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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Council of Nashua, NH as of June 30, 2014, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Community Council of Nashua, NH

Report on Summarized Comparative Information

We have previously audited Community Council of Nashua, NH's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 18, 2013. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 3, 2014 on our consideration of Community Council of Nashua, NH's 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 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 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 Community Council of Nashua, NH's internal control over financial reporting and compliance.

Manchester, New Hampshire
December 3, 2014

Baker Newman & Noyes

Limited Liability Company

COMMUNITY COUNCIL OF NASHUA, NH

STATEMENTS OF FINANCIAL POSITION

June 30, 2014 and 2013

ASSETS

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$ 152,211	\$ 502,190
Accounts receivable, less allowance for uncollectible accounts of \$939,016 in 2014 and \$969,683 in 2013	2,085,684	1,353,102
Investments	2,034,894	2,112,993
Prepaid expenses	135,497	132,040
Property and equipment, net	3,174,656	3,237,652
Debt issuance costs, net of accumulated amortization of \$11,649 in 2014 and \$8,668 in 2013	<u>6,308</u>	<u>9,289</u>
Total assets	<u>\$7,589,250</u>	<u>\$7,347,266</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Line of credit	\$ 750,000	\$ -
Accounts payable and accrued expenses	123,753	97,447
Accrued payroll	198,590	141,515
Accrued vacation	479,101	472,020
Deferred revenue	5,000	38,654
Medicaid payable	22,617	49,758
Notes payable	1,901,721	1,989,398
Capital lease obligation	20,035	64,104
Contingency reserve	613,745	730,449
Interest rate swap contract	<u>9,420</u>	<u>30,301</u>
Total liabilities	4,123,982	3,613,646
Net assets:		
Unrestricted	3,314,202	2,164,149
Temporarily restricted	52,473	1,470,878
Permanently restricted	<u>98,593</u>	<u>98,593</u>
Total net assets	<u>3,465,268</u>	<u>3,733,620</u>
Total liabilities and net assets	<u>\$7,589,250</u>	<u>\$7,347,266</u>

See accompanying notes.

COMMUNITY COUNCIL OF NASHUA, NH

**STATEMENTS OF ACTIVITIES
AND CHANGES IN NET ASSETS**

Year Ended June 30, 2014
(With Certain Financial Information Presented for the Year Ended June 30, 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014</u>	<u>2013</u>
Revenues, gains and other support:					
Program service fees	\$11,117,843	\$ —	\$ —	\$11,117,843	\$11,097,089
Bad debt expense	<u>(1,415,329)</u>	<u>—</u>	<u>—</u>	<u>(1,415,329)</u>	<u>(1,255,929)</u>
Program service fees, less					
bad debt expense	9,702,514	—	—	9,702,514	9,841,160
State of New Hampshire - BBH	853,919	—	—	853,919	734,043
Federal grants	831,433	—	—	831,433	990,878
Rental income	71,752	—	—	71,752	56,768
Support, local governments	63,582	—	—	63,582	63,112
Contributions	28,939	—	—	28,939	46,433
United Way	2,015	—	—	2,015	33,997
Other	112,241	—	—	112,241	159,450
Net assets released from restriction (note 9)	<u>1,588,021</u>	<u>(1,588,021)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues, gains and other support	13,254,416	(1,588,021)	—	11,666,395	11,925,841
Expenses:					
BBH funded program services:					
Children's services	2,007,768	—	—	2,007,768	2,015,314
Elderly services	547,366	—	—	547,366	470,318
Intake/placement services	31,798	—	—	31,798	180,119
Crisis response	158,895	—	—	158,895	218,368
Brief hospitalization	—	—	—	—	7,319
Vocational services	236,100	—	—	236,100	216,537
Adult outpatient	1,173,547	—	—	1,173,547	1,098,840
Multi-service team	3,479,205	—	—	3,479,205	3,253,413
ACT Team	608,838	—	—	608,838	475,022
Independent housing	1,218,168	—	—	1,218,168	1,012,482
Substance abuse	633,550	—	—	633,550	522,855
Other non-BBH funded program services:					
Child impact	33,012	—	—	33,012	31,478
PRC Hopes	—	—	—	—	24,565
Court division	99,785	—	—	99,785	141,200
SAMHSA	299,540	—	—	299,540	548,192
RAISE	22,742	—	—	22,742	41,701
Supervised visitation	110,328	—	—	110,328	110,564
Research	<u>413,000</u>	<u>—</u>	<u>—</u>	<u>413,000</u>	<u>405,368</u>
Total program services	11,073,642	—	—	11,073,642	10,773,655
Administrative expenses	1,141,904	—	—	1,141,904	1,687,328
Change in fair value of interest rate swap contract	<u>(20,881)</u>	<u>—</u>	<u>—</u>	<u>(20,881)</u>	<u>(17,157)</u>
Total expenses	<u>12,194,665</u>	<u>—</u>	<u>—</u>	<u>12,194,665</u>	<u>12,443,826</u>
Income (loss) from operations	1,059,751	(1,588,021)	—	(528,270)	(517,985)

COMMUNITY COUNCIL OF NASHUA, NH

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

Year Ended June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014</u>	<u>2013</u>
Income (loss) from operations	\$ 1,059,751	\$(1,588,021)	\$ -	\$ (528,270)	\$ (517,985)
Other income:					
Investment income	27,498	37,088	-	64,586	62,926
Realized and unrealized gains on investments	<u>62,804</u>	<u>132,528</u>	<u>-</u>	<u>195,332</u>	<u>106,688</u>
Total other income	<u>90,302</u>	<u>169,616</u>	<u>-</u>	<u>259,918</u>	<u>169,614</u>
Excess (deficiency) of revenues, gains and other support and other income over expenses and increase (decrease) in net assets	1,150,053	(1,418,405)	-	(268,352)	(348,371)
Net assets, beginning of year	<u>2,164,149</u>	<u>1,470,878</u>	<u>98,593</u>	<u>3,733,620</u>	<u>4,081,991</u>
Net assets, end of year	<u>\$ 3,314,202</u>	<u>\$ 52,473</u>	<u>\$ 98,593</u>	<u>\$ 3,465,268</u>	<u>\$ 3,733,620</u>

See accompanying notes.

COMMUNITY COUNCIL OF NASHUA, NH

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Decrease in net assets	\$ (268,352)	\$ (348,371)
Adjustments to reconcile decrease in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	203,872	189,941
Net realized and unrealized gains on investments	(195,332)	(106,688)
Bad debt expense	1,415,329	1,255,929
Change in fair value of interest rate swap contract	(20,881)	(17,157)
Changes in operating assets and liabilities:		
Accounts receivable, net	(2,147,911)	(570,509)
Prepaid expenses	(3,457)	(56,453)
Accounts payable and accrued expenses	26,306	(131,829)
Accrued payroll and vacation	64,156	25,226
Medicaid payable	(27,141)	1,347
Deferred revenue	(33,654)	3,978
Contingency reserve	<u>(116,704)</u>	<u>—</u>
Net cash (used) provided by operating activities	(1,103,769)	245,414
 Cash flows from investing activities:		
Purchases of investments	(989,682)	(892,284)
Proceeds from sale of investments	1,263,113	911,838
Purchase of fixed assets	<u>(137,895)</u>	<u>(392,829)</u>
Net cash provided (used) by investing activities	135,536	(373,275)
 Cash flows from financing activities:		
Proceeds from long-term debt and line of credit	1,270,000	610,000
Principal payments on long-term debt and line of credit	(607,677)	(457,423)
Payments on capital lease obligation	<u>(44,069)</u>	<u>(48,076)</u>
Net cash provided by financing activities	<u>618,254</u>	<u>104,501</u>
 Net decrease in cash and cash equivalents	(349,979)	(23,360)
 Cash and cash equivalents, beginning of year	<u>502,190</u>	<u>525,550</u>
 Cash and cash equivalents, end of year	\$ <u>152,211</u>	\$ <u>502,190</u>
 Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	\$ <u>122,240</u>	\$ <u>108,806</u>

See accompanying notes.

COMMUNITY COUNCIL OF NASHUA, NH
STATEMENT OF REVENUES AND FUNCTIONAL EXPENSES
 Year Ended June 30, 2014

	Total Agency	Total Administration	Total Programs	Children and Adolescents	Elderly Services	Intake	Emergency Services Non-DRH	Brief/DRF	Vocational Services	Adult Outpatient
Program service fees	\$ 433,222	\$ -	\$ 433,222	\$ (3,839)	\$ 42,449	\$ 2,671	\$ 2,859	\$ 4,816	\$ 11,231	\$ 78,611
Net client fees	411,589	-	411,589	113,835	17,273	1,431	800	2,821	-	120,039
BC/BS	7,690,226	-	7,690,226	2,923,969	431,085	4,622	1,563	4,695	118,831	276,709
Medicaid	637,471	-	637,471	424	119,600	2,151	1,962	7,222	-	213,489
Medicare	353,305	-	353,305	67,602	17,660	2,358	692	2,326	-	87,128
Other insurance	176,701	-	176,701	-	-	-	-	-	-	-
Other program fees	9,702,514	-	9,702,514	3,101,991	628,067	13,233	7,876	21,880	130,062	775,976
Total program service fees	853,919	-	853,919	-	-	-	71,736	-	1,500	(7,292)
State of New Hampshire - BBH	831,433	-	831,433	3,198	1,274	-	-	-	-	204,114
Federal grants	71,752	-	71,752	-	-	-	-	-	-	-
Rental income	63,582	-	63,582	-	-	-	-	-	-	63,582
Support, local governments	28,939	-	28,939	150	-	-	-	-	-	24,223
Contributions	2,015	-	2,015	-	-	-	-	-	-	1,708
United Way	372,159	-	372,159	3,000	-	-	-	-	14,793	349,856
Other revenue (including nonoperating and restricted)	11,926,313	-	11,926,313	3,108,339	629,341	13,233	79,612	21,880	146,355	1,412,167
Total revenue										

	Total Agency	Total Administration	Total Programs	Children and Adolescents	Elderly Services	Intake	Emergency Services Non-DRH	Brief/DRF	Vocational Services	Adult Outpatient
Expenses:										
Salaries and wages	\$ 7,605,725	\$ 531,618	\$ 7,074,107	\$ 1,354,978	\$ 392,062	\$ (1,680)	\$ 142,897	\$ -	\$ 160,028	\$ 671,637
Employee benefits	1,513,703	134,259	1,379,444	281,045	62,015	18,279	4,618	-	32,179	69,778
Payroll taxes	571,749	39,013	532,736	108,132	29,263	(187)	4,917	-	12,446	49,183
Substitute staff	31,152	15,309	15,843	15,843	-	-	-	-	-	-
Accounting	53,446	53,461	(15)	-	-	-	-	-	-	-
Audit fees	33,142	10,739	22,403	5,144	1,099	399	161	-	524	1,765
Legal fees	5,700	4,764	936	-	-	-	-	-	-	-
Other prof. fees/consultations	329,758	104,681	225,077	11,601	1,766	214	86	-	282	16,939
Journals and publications	737	152	585	90	19	7	3	-	48	30
Conferences and conventions	22,640	2,874	19,766	4,210	674	2	1	-	77	1,028
Other staff development	2,460	1,868	592	10	2	1	-	-	1	3
Rent	-	(536)	536	(628)	(136)	(49)	(20)	-	(65)	(218)
Mortgage (interest)	97,531	-	97,531	-	-	-	-	-	-	97,531
Heating costs	28,255	4,591	23,664	5,376	1,161	421	170	-	554	1,865
Other utilities	88,034	14,305	73,729	16,784	3,618	1,312	528	-	1,725	5,810
Maintenance and repairs	156,285	30,529	125,756	26,293	5,685	2,061	830	-	2,711	9,130
Other occupancy costs	75,153	1,203	73,950	919	196	71	29	-	94	315
Office	108,275	20,512	87,763	13,785	2,736	992	399	-	6,296	6,397
Building/household	17,380	44	17,336	3,869	839	304	122	-	516	1,347
Food	13,684	4,834	8,850	4,185	233	85	34	-	241	392
Advertising	5,826	2,646	3,180	-	-	-	-	-	-	-
Printing	30,127	8,903	21,224	4,320	652	229	92	-	376	1,413
Telephone/communication	115,202	12,509	102,693	19,788	5,533	1,121	719	-	2,835	4,987
Postage/shipping	16,067	3,564	12,503	2,652	553	200	81	-	291	888
Staff	181,200	4,936	176,264	25,069	17,062	213	86	-	4,105	1,087
Clients	900	900	-	-	-	-	-	-	-	-
Client services	319,225	-	319,225	4,494	32	-	-	-	572	50
Malpractice and bonding	291,822	47,421	244,401	55,601	11,994	4,348	1,751	-	5,720	19,260
Vehicles	(224)	(36)	(188)	(54)	(9)	(3)	(1)	-	(4)	(15)
Comprehensive property and liability	69,919	11,362	58,557	13,326	2,874	1,042	420	-	1,370	4,615
Interest expense (other than mortgage)	24,709	-	24,709	-	-	-	-	-	-	24,709
Depreciation, equipment	88,473	33,525	54,948	-	-	-	-	-	-	54,948
Depreciation, building	112,418	-	112,418	-	-	-	-	-	-	112,418
Equipment rental	43,843	5,342	38,501	5,127	1,105	401	161	-	527	1,774
Equipment maintenance	15,984	2,275	13,709	2,676	575	209	84	-	274	924
Membership dues	41,875	17,103	24,772	5,669	1,404	226	91	-	298	6,558
Other expenditures	103,371	17,234	86,137	17,464	4,359	1,580	636	-	2,079	6,999
Total program expenses	12,215,546	1,141,904	11,073,642	2,007,768	547,366	31,798	158,895	-	236,100	1,173,547
Administrative allocation	-	(1,141,904)	1,141,904	217,848	53,248	1,882	16,454	-	19,969	148,516
Change in fair value of interest rate swap contract	(20,881)	-	(20,881)	-	-	-	-	-	-	(20,881)
Total expenses	12,194,665	-	12,194,665	2,225,616	600,614	33,680	175,349	-	256,069	1,301,182
(Deficit) surplus	\$ (268,352)	\$ -	\$ (268,352)	\$ 882,723	\$ 28,727	\$ (20,447)	\$ (95,737)	\$ 21,880	\$ (109,714)	\$ 110,985

COMMUNITY COUNCIL OF NASHUA, NH

STATEMENT OF REVENUES AND FUNCTIONAL EXPENSES (CONTINUED)

Year Ended June 30, 2014

	Multi- Service Team	ACT Team	Independent Housing	Substance Abuse	Supervised Visitation	Child Impact	REAP	Court Division	SAMHSA	Research	RAISE
Program service fees											
Net client fees	\$ 53,580	\$ 69,934	\$ 22,074	\$ 102,526	\$ 6,240	\$ 38,240	\$ -	\$ -	\$ -	\$ 1,830	\$ -
BC/BS	33,277	3,662	-	118,451	-	-	-	-	-	-	-
Medicaid	2,548,189	354,172	955,317	70,986	-	88	-	-	-	-	-
Medicare	258,209	11,073	21	23,320	-	-	-	-	-	-	-
Other insurance	24,182	1,457	-	141,375	-	-	-	-	-	8,525	-
Other program fees	-	-	-	-	-	-	-	-	123,993	52,708	-
Total program service fees	2,917,437	440,298	977,412	456,658	6,240	38,328	-	-	123,993	63,063	-
State of New Hampshire - BBH	346,531	240,000	201,444	-	-	-	-	-	-	-	-
Federal grants	56,721	-	28,748	-	65,808	-	-	54,521	208,473	186,262	22,314
Rental income	-	-	71,752	-	-	-	-	-	-	-	-
Support, local governments	-	-	-	-	-	-	-	-	-	-	-
Contributions	4,316	-	-	250	-	-	-	-	-	-	-
United Way	-	-	-	-	307	-	-	-	-	-	-
Other revenue (including nonoperating and restricted)	-	-	-	-	-	-	4,510	-	-	-	-
Total revenue	3,325,005	680,298	1,279,356	456,908	72,355	38,328	4,510	54,521	332,466	249,325	22,314

	Multi-Service Team	ACT Team	Independent Housing	Substance Abuse	Supervised Visitation	Child Impact	REAP	Court Division	SAMHSA	Research	RAISE
Expenses:											
Salaries and wages	\$ 2,266,816	\$ 415,801	\$ 678,369	\$ 495,651	\$ 59,730	\$ 26,488	\$ -	\$ 74,896	\$ 71,312	\$ 252,034	\$ 13,088
Employee benefits	594,389	49,026	137,742	33,473	20,402	-	-	13,579	13,641	45,286	3,992
Payroll taxes	174,490	27,103	52,132	39,004	4,535	314	-	6,099	4,720	19,936	649
Substitute staff	-	-	-	-	-	-	-	-	-	-	-
Accounting	(15)	-	-	-	-	-	-	-	-	-	-
Audit fees	8,416	1,014	1,685	1,530	-	16	-	-	-	650	-
Legal fees	708	228	-	-	-	-	-	-	-	-	-
Other prof. fees/consultations	40,498	574	906	823	18,938	9	-	2,400	128,232	1,809	-
Journals and publications	145	18	29	26	-	-	-	-	-	170	-
Conferences and conventions	2,399	7,029	367	542	-	-	-	-	585	2,852	-
Other staff development	266	2	3	3	-	-	-	-	300	1	-
Rent	(1,038)	(131)	(208)	(189)	3,300	(2)	-	-	-	(80)	-
Mortgage (interest)	-	-	-	-	-	-	-	-	-	-	-
Heating costs	8,889	1,128	1,780	1,616	-	17	-	-	-	687	-
Other utilities	27,695	3,483	5,546	5,036	-	53	-	-	-	2,139	-
Maintenance and repairs	43,519	14,916	8,715	7,912	-	83	-	-	-	3,901	-
Other occupancy costs	1,502	181	301	273	-	3	-	-	69,950	116	-
Office	21,072	7,288	4,371	6,274	251	5,631	-	-	6,913	5,358	-
Building/household	6,422	830	1,411	1,168	-	12	-	-	-	496	-
Food	1,315	517	483	737	-	3	-	-	441	184	-
Advertising	-	-	-	-	-	-	-	-	-	3,180	-
Printing	7,741	1,405	1,375	2,434	214	9	-	-	447	517	-
Telephone/communication	37,695	7,283	11,381	4,845	1,345	45	-	2,167	-	2,949	-
Postage/shipping	4,313	544	847	828	-	8	-	-	-	1,298	-
Staff	64,476	12,087	41,378	1,162	1,039	9	-	644	2,778	5,069	-
Clients	-	-	-	-	-	-	-	-	-	-	-
Client services	1,911	35,847	236,565	-	-	-	-	-	221	34,520	5,013
Malpractice and bonding	91,807	11,577	18,385	16,692	-	175	-	-	-	7,091	-
Vehicles	(70)	-	(14)	(13)	-	-	-	-	-	(5)	-
Comprehensive property and liability	21,996	2,769	4,405	3,999	-	42	-	-	-	1,699	-
Interest expense (other than mortgage)	-	-	-	-	-	-	-	-	-	-	-
Depreciation, equipment	-	-	-	-	-	-	-	-	-	-	-
Depreciation, building	-	-	-	-	-	-	-	-	-	-	-
Equipment rental	8,458	1,062	1,694	1,538	-	16	-	-	-	16,638	-
Equipment maintenance	4,404	2,308	882	801	224	8	-	-	-	340	-
Membership dues	5,623	680	957	1,319	350	9	-	-	-	1,588	-
Other expenditures	33,363	4,269	6,681	6,066	-	64	-	-	-	2,577	-
Total program expenses	3,479,205	608,838	1,218,188	633,550	110,328	33,012	-	99,785	299,540	413,000	22,742
Administrative allocation	386,158	50,410	135,856	55,998	4,404	79	-	-	31,386	19,696	-
Change in fair value of interest rate swap contract	-	-	-	-	-	-	-	-	-	-	-
Total expenses	3,865,363	659,248	1,354,024	689,548	114,732	33,091	-	99,785	330,926	432,696	22,742
(Deficit) surplus	\$ (540,358)	\$ 21,050	\$ (74,668)	\$ (232,640)	\$ (42,377)	\$ 5,237	\$ 4,510	\$ (45,264)	\$ 1,540	\$ (183,371)	\$ (428)

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

1. **Nature of Activities**

Organization

Community Council of Nashua, NH, d/b/a Greater Nashua Mental Health Center (the Organization), is a comprehensive community health center located in Nashua, New Hampshire. The Organization's mission is to work with the community to meet the mental health needs of its residents by offering evaluation, treatment, resource development, education and research. The Organization is dedicated to clinical excellence and advocacy with their Community Support Services, Child and Adolescent Programs, Clinical Research and Integrated HealthCare Programs, Adult Outpatient Services, and specialty services such as Housing, Deaf Services, Substance Abuse Program, Vocational Services and Individual and Group Therapy.

The Organization is subject to a number of risks common to organizations currently serving this industry. Principal among these risks is the impact of budget cuts and healthcare reform and its effect on the Organization's current and anticipated levels of revenue in 2015. The Organization experienced losses from operations in 2014 and 2013 of \$528,270 and \$517,985, respectively. For fiscal 2015 and going forward, management has implemented various cost saving strategies to reduce its operating costs in line with current market conditions. Management believes that cash flows from operations will provide the necessary cash resources to fund the Organization's operations through June 30, 2015.

2. **Significant Accounting Policies**

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers cash in banks and all other highly liquid investments with original maturities of three months or less when purchased to be cash and cash equivalents for purposes of the statement of cash flows.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

2. **Significant Accounting Policies (Continued)**

Investments

The Organization reports investments at fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 958-320, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. See Note 5 for fair value measurement disclosures for investments.

Investment income or loss (including realized and unrealized gains and losses on investments and interest and dividends) is included in the accompanying statements of activities within operating income unless the income is restricted by donor or law.

Program Service Fees

Program service fees are charged at established rates. Discounts, allowances and other arrangements for services provided at other than established rates are recorded as an offset to service fees. Net revenues from the Medicaid program accounted for approximately 79% and 80% of the Organization's net program service revenue for the years ended June 30, 2014 and 2013, respectively.

An estimated breakdown of program service fees, net of the provision for bad debts, recognized in 2014 and 2013 from those major sources is as follows:

	<u>2014</u>	<u>2013</u>
Private pay	\$ 433,223	\$ 391,567
Commercial insurance	764,893	831,504
Medicaid	7,690,227	7,899,035
Medicare	637,470	487,830
Other payors	<u>176,701</u>	<u>231,224</u>
	<u>\$9,702,514</u>	<u>\$9,841,160</u>

Federal Grant Revenue and Expenditures

Revenues and expenses under federal grant programs are recognized as the related expenditure is incurred.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

2. Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable are reduced by an allowance for uncollectible accounts for private pay. On a monthly basis, the Organization analyzes its accounts receivable and reserves for all private pay patient balances greater than 60 days old. In evaluating the collectibility of accounts receivable, the Organization also monitors the amount of actual cash collected during each month against the Organization's outstanding patient accounts receivable balances. The Organization analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Additionally, the Organization takes into consideration State of New Hampshire reviews, as well as The Joint Commission evaluation of the Organization's records and documentation. Quarterly, the Organization writes off all patient accounts receivable greater than 365 days old against the allowance for uncollectible accounts. Management, as well as the Finance Committee of the Organization, regularly reviews the aging and collection rate of major payor sources. The increase in bad debt expense in 2014 as compared to 2013 is driven primarily by payor mix as well as collection trends on recent services.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. There was no unrelated business income tax incurred by the Organization for the years ended June 30, 2014 and 2013. Management has evaluated the Organization's tax positions and concluded the Organization has maintained its tax-exempt status, does not have any significant unrelated business income and has taken no uncertain tax positions that require adjustment to, or disclosure within, the accompanying financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal or state tax authorities for years before 2011.

Debt Issuance Costs

Costs associated with the issuance of bonds and other debt are initially capitalized and amortized over the respective life of the related obligation.

Property and Equipment

Property and equipment are carried at cost if purchased or at estimated fair value at date of donation in the case of gifts. The Organization's policy is to capitalize assets greater than \$1,000, while minor maintenance and repairs are charged to expense as incurred. Depreciation is recorded using the straight-line method over the following estimated useful lives:

Furniture and equipment	3 - 7 years
Real estate and improvements, excluding land	5 - 39 years
Computer equipment and software	3 - 10 years
Vehicles	5 years
Equipment under capital lease	Shorter of lease term or estimated useful life

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

2. Significant Accounting Policies (Continued)

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity.

The Organization 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 Organization 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 temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization 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.

Investment Return Objectives, Risk Parameters and Strategies

The Organization has adopted investment policies, approved by the Board of Directors, for endowment assets that attempt to maintain the purchasing power of those endowment assets over the long term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of accumulated interest and dividend income to be reinvested or used as needed, while growing the funds if possible. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to reduce the exposure of the fund to unacceptable levels of risk.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

2. **Significant Accounting Policies (Continued)**

Spending Policy

Currently, the Organization does not have a written approved spending policy. Historically, the Organization has appropriated for distribution the accumulated interest and dividend income on the investment funds. The Organization considers the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The Organization expects to utilize certain endowment funds in 2015 to fund certain operating expenses.

Donor Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Derivative Instruments

The Organization uses derivatives to manage risks related to interest rate movements. The interest rate swap contract designated and qualifying as a cash flow hedge is reported at fair value. The Organization's interest rate risk management strategy is to stabilize cash flow requirements by maintaining an interest rate swap contract to convert variable rate debt to a fixed rate. The Organization is exposed to credit loss in the event of nonperformance by the counterparties to the interest rate swap contract. However, the Organization does not anticipate nonperformance by the counterparties. See Note 10.

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 financial statements. Management has evaluated subsequent events through December 3, 2014 which is the date the financial statements were available to be issued.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

3. Concentrations of Credit Risk

Financial instruments which subject the Organization to credit risk consist of cash and cash equivalents, accounts receivable and investments. The Organization maintains cash accounts in financial institutions which are insured by federal agencies up to \$250,000. At times throughout the year, the balances may exceed this limit. The risk with respect to cash equivalents is minimized by the Organization's policy of investing in financial instruments with short-term maturities issued by highly rated financial institutions. The Organization's investment portfolio consists of diversified investment funds, which are subject to market risk, but are not subject to concentrations in any sectors. The mix of gross receivables from patients and third-party payors as of June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Medicare	5%	4%
Medicaid	37	36
Other third-party payors	4	6
Patients	<u>54</u>	<u>54</u>
	<u>100%</u>	<u>100%</u>

4. Investments

Investments, which are reported at fair value, consist of the following at June 30:

	<u>2014</u>	<u>2013</u>
Equity mutual funds	\$1,152,511	\$1,205,346
Fixed income	<u>882,383</u>	<u>907,647</u>
Total investments	<u>\$2,034,894</u>	<u>\$2,112,993</u>

Total investment income and net realized and unrealized gains/losses on investments reported within the accompanying statements of activities and changes in net assets are as follows for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Unrestricted:		
Investment income	\$ 27,498	\$ 29,142
Net realized and unrealized gains on investments	<u>62,804</u>	<u>35,882</u>
	90,302	65,024
Restricted:		
Investment income	37,088	33,784
Net realized and unrealized gains on investments	<u>132,528</u>	<u>70,806</u>
	<u>169,616</u>	<u>104,590</u>
	<u>\$259,918</u>	<u>\$169,614</u>

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

4. **Investments (Continued)**

The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility, which may substantially impact the values of investments at any given time.

5. **Fair Value Measurements**

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including the Organization's own credit risk.

The fair value hierarchy for valuation inputs prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which are determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

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.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

5. Fair Value Measurements (Continued)

Investments

The fair values of mutual funds and fixed income securities are primarily based upon quoted prices in active markets for identical assets and, therefore, are reflected as Level 1. However, within fixed income securities, the fair value of corporate bonds is derived using a model where inputs are directly observable or can be derived from observable market data and, therefore, reflected as Level 2.

Interest Rate Swap Contract

The fair value for the interest rate swap liability is included in Level 2 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.

For the fiscal years ended June 30, 2014 and 2013, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following presents the balances of assets and liabilities measured at fair value on a recurring basis at June 30:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2014</u>				
Equity mutual funds:				
Common equity securities	\$ 733,495	\$ -	\$ -	\$ 733,495
Common equity mutual funds	166,696	-	-	166,696
International equities	252,320	-	-	252,320
Fixed income:				
U.S. Treasury bonds	325,736	-	-	325,736
Corporate bonds	-	260,447	-	260,447
Mortgage backed securities	123,406	-	-	123,406
Corporate bond mutual funds	112,708	-	-	112,708
International bonds	60,086	-	-	60,086
Interest rate swap contract liability	<u>-</u>	<u>(9,420)</u>	<u>-</u>	<u>(9,420)</u>
	<u>\$1,774,447</u>	<u>\$251,027</u>	<u>\$ -</u>	<u>\$2,025,474</u>
<u>2013</u>				
Equity mutual funds:				
Common equity securities	\$ 843,569	\$ -	\$ -	\$ 843,569
Common equity mutual funds	151,879	-	-	151,879
International equities	209,898	-	-	209,898
Fixed income:				
U.S. Treasury bonds	326,532	-	-	326,532
Corporate bonds	-	255,679	-	255,679
Mortgage backed securities	162,551	-	-	162,551
Corporate bond mutual funds	108,423	-	-	108,423
International bonds	54,462	-	-	54,462
Interest rate swap contract liability	<u>-</u>	<u>(30,301)</u>	<u>-</u>	<u>(30,301)</u>
	<u>\$1,857,314</u>	<u>\$225,378</u>	<u>\$ -</u>	<u>\$2,082,692</u>

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

5. **Fair Value Measurements (Continued)**

The Organization's other significant financial instruments include cash and cash equivalents, accounts receivable, notes and bonds payable, capital lease obligation, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value due to short maturities or interest rate terms that approximate current market rates.

6. **Property and Equipment**

Property and equipment consists of the following at June 30:

	<u>2014</u>	<u>2013</u>
Real estate and improvements	\$ 4,827,330	\$ 4,823,950
Furniture and equipment	227,364	227,364
Computer equipment	81,450	79,536
Software	658,200	360,698
Vehicles	32,766	32,766
EMR construction	—	164,900
	<u>5,827,110</u>	<u>5,689,214</u>
Less accumulated depreciation	<u>(2,652,454)</u>	<u>(2,451,562)</u>
Total property and equipment, net	<u>\$ 3,174,656</u>	<u>\$ 3,237,652</u>

The net carrying value of assets held under capital lease was \$106,655 and \$121,184 at June 30, 2014 and 2013, respectively.

7. **Contingency Reserve**

The Organization receives money for patient services billed under the Medicare and Medicaid programs of the federal government. If billings for patient services are deemed by the federal government upon audit to not be in compliance with the provisions of the Medicare and Medicaid programs, the Organization will be required to repay the funds. As of June 30, 2014 and 2013, the Organization has accrued \$613,745 and \$730,449, respectively, for such contingency. See also Note 12.

8. **Tax Deferred Annuity Plan**

The Organization has a 403(b) employer sponsored retirement plan. All employees are eligible to participate as of the date of hire. The Organization offers a match of dollar-for-dollar up to 4% of annual salary. To be eligible for the match, an employee must work or earn a year of service, which is defined as at least 1,000 hours during the 12-month period immediately following date of hire. In April 2014, the employer match was suspended. Benefits expense associated with this plan amounted to \$112,348 and \$143,246 for the years ended June 30, 2014 and 2013, respectively.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

9. Endowment Funds and Net Assets

The composition of the endowment account is as follows as of June 30:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>2014</u>				
Board/donor-restricted endowment fund	\$ <u>2,005,502</u>	\$ <u>—</u>	\$ <u>98,593</u>	\$ <u>2,104,095</u>
<u>2013</u>				
Board/donor-restricted endowment fund	\$ <u>642,456</u>	\$ <u>1,412,628</u>	\$ <u>98,593</u>	\$ <u>2,153,677</u>

Investments comprising endowment funds are included in the accompanying statement of financial position as follows as of June 30:

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$ 69,201	\$ 40,684
Investments	<u>2,034,894</u>	<u>2,112,993</u>
	<u>\$2,104,095</u>	<u>\$2,153,677</u>

Changes in the endowment account are as follows for the years ended June 30:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2012	\$ 637,328	\$1,308,031	\$98,593	\$2,043,952
Contributions	—	7	—	7
Investment return:				
Investment income	19,592	43,241	—	62,833
Net appreciation (realized and unrealized)	33,273	73,415	—	106,688
Investment fees	<u>(5,476)</u>	<u>(12,066)</u>	<u>—</u>	<u>(17,542)</u>
Total investment return	47,389	104,590	—	151,979
Appropriation of endowment assets for expenditure	<u>(42,261)</u>	<u>—</u>	<u>—</u>	<u>(42,261)</u>
Endowment net assets, June 30, 2013	642,456	1,412,628	98,593	2,153,677

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

9. Endowment Funds and Net Assets (Continued)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Investment return:				
Investment income	\$ 19,239	\$ 45,256	\$ -	\$ 64,495
Net appreciation (realized and unrealized)	58,269	137,063	-	195,332
Investment fees	<u>(5,399)</u>	<u>(12,703)</u>	<u>-</u>	<u>(18,102)</u>
Total investment return	72,109	169,616	-	241,725
 Transfer from donor-restricted to board-restricted endowment fund	 1,582,244	 (1,582,244)	 -	 -
 Appropriation of endowment assets for expenditure	 <u>(291,307)</u>	 <u>-</u>	 <u>-</u>	 <u>(291,307)</u>
 Endowment net assets, June 30, 2014	 <u>\$2,005,502</u>	 <u>\$ -</u>	 <u>\$98,593</u>	 <u>\$ 2,104,095</u>

In 2014, accumulated earnings within temporarily restricted endowment, no longer subject to donor time or purpose restrictions, were transferred to the Organization's board-restricted endowment fund.

Permanently restricted endowment net assets consist of investment principal maintained in perpetuity. The income earned may be used to support operations. There is one fund that required the appreciation to be included in permanently restricted endowment net assets until such time as it reached a fair value of \$50,000, at which point the income earned may then be used to support operations. The fund reached \$50,000 during the year ended June 30, 2011, and the remaining appreciation is, therefore, reported as temporarily restricted until these funds are withdrawn to support operations.

10. Line of Credit and Long-Term Debt

The Organization maintains a \$1,000,000 revolving line-of-credit with TD Bank, secured by a mortgage on real property and substantially all business assets, and carrying a variable interest rate of prime plus 1.0% adjusted daily with a floor rate of 4.00% (4.25% at June 30, 2014). Interest is payable monthly. The line-of-credit had an outstanding balance of \$750,000 at June 30, 2014. There was no balance outstanding at June 30, 2013. Subsequent to year end, the line-of-credit agreement was extended from its current maturity date of February 28, 2015 to January 31, 2016.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

10. Line of Credit and Long-Term Debt (Continued)

Long-term debt consists of the following at June 30:

	<u>2014</u>	<u>2013</u>
Note payable, TD Bank and New Hampshire Higher Educational and Health Facilities Authority (HEFA). TD Bank participates in 70% of the original principal balance, and HEFA participates in 30% of the original principal balance. The note is secured by mortgaged property, with interest at a blended fixed rate of 4.233% through July 29, 2015 and will then adjust to the Federal Home Loan Bank Boston Five Year Classic Advance Rate plus 2.65% on August 22, 2015, monthly principal and interest payments due of \$5,787, with a balloon payment due for the remaining principal on July 29, 2020	\$ 805,644	\$ 839,715
Mortgage payable, TD Bank, secured by mortgage on real property and collateral assignment of leases and rents, with interest at the rate of one month LIBOR plus 3.00% (3.154% at June 30, 2014), monthly principal payments due ranging from \$2,460 to \$2,925 through October 2014, plus interest, with a balloon payment due for the remaining principal on November 2014, subject to an interest rate swap contract (described below). See below	897,893	932,173
Note payable, TD Bank, secured by mortgaged property, with a fixed interest rate of 4.29%. The loan is payable in monthly installments of \$2,367 through October 2022. See below	<u>198,184</u>	<u>217,510</u>
	<u>\$1,901,721</u>	<u>\$1,989,398</u>

Subsequent to year end, the Organization entered into a commitment letter with TD Bank to consolidate and refinance the \$897,893 mortgage payable and \$198,184 note payable with TD Bank. The new loan amount is expected to be \$1,077,800 and call for monthly payments based on a 15 year amortization period. The note is expected to mature in December 2016. The commitment letter provides that interest will be calculated at the TD Bank 2 Year Cost of Funds plus 2.70%.

Aggregate maturities required on long-term debt at June 30, 2014 (before consideration of the proposed debt refinancing described above) are as follows:

2015	\$ 954,272	
2016	58,825	
2017	61,376	
2018	64,038	
2019	66,805	
Thereafter	<u>696,405</u>	
	<u>\$1,901,721</u>	

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

10. Line of Credit and Long-Term Debt (Continued)

TD Bank requires that the Organization meet certain financial covenants, the most restrictive of which is the maintenance of a ratio of cash flow to debt service of not less than 1.25 to 1.00. The Organization was not in compliance with these covenants as of June 30, 2014. The bank waived this requirement on November 16, 2014. Subsequent to year end, as part of the debt refinancing commitment letter previously discussed, certain financial covenants were also modified.

In November 2009, the Organization entered into an interest rate swap contract with TD Bank in order to reduce the impact of changes in interest rates in conjunction with the \$897,893 mortgage payable. At June 30, 2014, the notional amount of the interest rate swap contract amounted to \$897,893. This contract effectively changes the Organization's interest rate exposure to a fixed rate of 5.71%. The interest rate swap contract matured on November 18, 2014 and is recorded at fair value of \$(9,420) and \$(30,301) as of June 30, 2014 and 2013, respectively.

11. Leases

The Organization rents additional housing space in Nashua, NH to be used for patient housing by the housing program. The Organization receives subsidies for reimbursement of expenses per a State contract to offset expenses not covered by patient reimbursement for rent. These leases begin to expire in July 2014. The required monthly rental payments range from \$1,200 to \$1,400 and totals \$5,300 per month. Total rent expense under these agreements amounted to \$63,600 and \$48,200 for the years ended June 30, 2014 and 2013, respectively. Future minimum lease payments due under these leases total \$41,050 for 2015, \$15,800 for 2016, and \$7,200 for 2017.

The Organization also leases a phone system under a capital lease arrangement, with interest at 3.2%, which expires in October 2014.

In February 2014, the Organization entered into an operating lease for a transcranial magnetic stimulation system. Under the agreement, the Organization will make monthly payments of \$4,500 for the first ten months and then ten monthly payments of \$5,200, in each fiscal year, for the remainder of the lease, which expires January 2017.

Future minimum lease payments required under noncancellable lease agreements for the next three years ending June 30 are as follows:

	<u>Operating Leases</u>	<u>Capital Lease</u>
2015	\$ 88,850	\$20,145
2016	67,800	—
2017	<u>38,400</u>	<u>—</u>
Total payments	<u>\$195,050</u>	20,145
Less amounts representing interest		<u>(110)</u>
Present value of total minimum lease payments		<u>\$20,035</u>

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

(With Certain Financial Information Presented for the Year Ended June 30, 2013)

12. **Medicaid Audit**

The Organization was requested by Medicaid to complete a self audit of Medicaid billing for recreational billing as part of the Organization's Young Adult Program. During 2013, the Organization reached a settlement agreement with Medicaid in regards to this audit totaling \$54,282. The agreement calls for 24 monthly payments of \$2,262. The liability remaining relating to this agreement at June 30, 2014 and 2013 was \$22,617 and \$49,758, respectively.

13. **Malpractice Insurance**

The Organization insures its medical malpractice risks on a claims-made basis. At June 30, 2014, 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 known to management which require loss accrual. The Organization intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

14. **Electronic Health Records Incentive Payments**

The CMS Electronic Health Records (EHR) incentive programs provide a financial incentive for the "meaningful use" of certified EHR technology to achieve health and efficiency goals. To qualify for incentive payments, eligible organizations must successfully demonstrate meaningful use of certified EHR technology through various stages defined by CMS. The Organization filed certain meaningful use attestations with CMS. Revenue totaling \$191,250 associated with these meaningful use attestations is recorded within federal grants in the accompanying statement of activities and changes in net assets for the year ended June 30, 2014.

COMMUNITY COUNCIL OF NASHUA, NH

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2014

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal CFDA #</u>	<u>Grantor's Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Health and Human Services			
State of New Hampshire, Department of Health and Human Services:			
Projects for Assistance in Transition from Homelessness Services	93.150		\$ 40,300
Healthy Connections (SAMHSA)	93.243		160,274*
Healthy Connections (SAMHSA) – HIT Project	93.243		48,198*
Data Infrastructure Grant	93.243		10,000*
Medicaid Incentives for Prevention of Chronic Diseases	93.536		159,493
Balancing Incentive Program (BIP)	93.778		63,265
Impact of Economic Downturn through Employment Development	93.243		<u>1,500*</u>
			483,030
U.S. Department of Justice			
State of New Hampshire, Department of Justice:			
Supervised Visitation and State Exchange Center (VAWA)	16.588		42,865
State Victim Assistance Fund	16.588		8,700
Passed through City of Nashua:			
State Havens: Supervised Visitation and Safe Exchange Grant Program	16.527		<u>14,242</u>
			65,807
U.S. Department of Housing and Urban Development			
State of New Hampshire, Department of Health and Human Services:			
A Place to Live Permanent Housing	14.267		28,748
National Institute for Mental Health			
Passed through The Feinstein Institute for Medical Research:			
Recovery After Initial Schizophrenia Episode (ARRA)		1-112673595A1	<u>22,314</u>
Total federal financial assistance			<u>\$ 599,899</u>

* Major Program

See notes to this schedule.

COMMUNITY COUNCIL OF NASHUA, NH

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2014

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Community Council of Nashua, NH (the Organization) for the year beginning July 1, 2013 and ending June 30, 2014, and is presented on the accrual basis of accounting. The Schedule includes all applicable federal grants for the Organization. The information in the Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Since the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, results of operations, changes in net assets or cash flows of the Organization.

For purposes of the Schedule, federal awards include all grants, contract and similar agreements entered into directly between the Organization and agencies and departments of the federal government and all subawards to the Organization by nonfederal organizations pursuant to federal grants, contracts and similar agreements.

2. Summary of Significant Accounting Policies

Expenditures for direct and indirect costs are recognized as incurred using the accrual method of accounting and the cost accounting principles contained in the OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, as applicable. Under these cost principles, certain types of expenditures are not allowable or are limited as to reimbursement.

3. Pass-Through Awards

The Organization receives certain federal awards in the form of pass-through awards. Such amounts received as pass-through awards are specifically identified on the Schedule.

BAKER NEWMAN NOYES

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Community Council of Nashua, NH

We have audited, in accordance with the 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, the financial statements of Community Council of Nashua, NH (the Organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, cash flows and revenues and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Directors
Community Council of Nashua, NH

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manchester, New Hampshire
December 3, 2014

Baker Neuman & Noyes

Limited Liability Company

BAKER NEWMAN NOYES

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Directors
Community Council of Nashua, NH

Report on Compliance for Each Major Federal Program

We have audited Community Council of Nashua, NH's (the Organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2014. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Board of Directors
Community Council of Nashua, NH

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Baker Newman & Noyes

Limited Liability Company

Manchester, New Hampshire
December 3, 2014

COMMUNITY COUNCIL OF NASHUA, NH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2014

I. Summary of Auditors' Results

Financial Statements:

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X no

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X no

Type of auditors' report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ___ yes X no

Identification of Major Programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
93.243	Healthy Connections (SAMHSA)
93.243	Healthy Connections (SAMHSA) – HIT Project
93.243	Data Infrastructure Grant
93.243	Impact of Economic Downturn through Employment Development

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes ___ no

II. Financial Statement Findings

None noted.

III. Federal Award Findings and Questioned Costs

None noted.

COMMUNITY COUNCIL OF NASHUA, NH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2014

There were no reported findings from the prior year.

Greater Nashua Mental Health Center

at Community Council

BOARD OF DIRECTORS 2015

March 20, 2015

PRESIDENT
FIRST VICE PRESIDENT
SECRETARY
TREASURER
EXECUTIVE DIRECTOR

James Fasoli
Edmund Sylvia
Jone Labombard
Marie Tule, CPA
Stuart Hemming

TERM EXPIRES FEBRUARY 2018

James S. Fasoli (2009)

Mary Ann Somerville (2012)

Elizabeth Sheehan (2015)

TERM EXPIRES FEBRUARY 2017

Pamela Burns (2011)

Christine M. Furman (2014)

Kathie Rice Orshak, MA (2011)

Tanya L. Spony, Esq. (2014)

Edmund Sylvia (2011)

Marie Tule, CPA (2011)

TERM EXPIRES FEBRUARY 2016

Sanders F Burstein, MD (2013)

Jone Labombard (2010)



STUART A. HEMMING

QUALIFICATIONS

- Senior Executive with over twenty-five years proven leadership skills in healthcare management
- Advanced knowledge of hospital and physician practice operations
- Areas of expertise include hospital administration, expense management, managed care contracting; strategic planning, OP market development; physician recruitment, physician relations, ethics/compliance, and financial analysis

PROFESSIONAL EXPERIENCE

Helms and Company

Concord, New Hampshire

Executive Director-Greater Nashua Mental Health Center September 2014- Present

Responsible for development and implementation of multi point plan to stabilize operations by improving cash flow, patient throughput, revenue cycle, EMR, IT infrastructure, physician and APRN recruitment, debt restructuring, employee benefits restructuring and expense control.

Portsmouth Regional Hospital (HCA)

Portsmouth, New Hampshire

Chief Operating Officer

September 1997 - December 2013

Ethics and Compliance Officer

Responsible for Hospital operations which included: \$642M in gross revenue, \$229M in net revenue, \$82M in EBDITA, 209 licensed beds, 7,720 annual admissions, 37,987 patient days, 349 open heart surgeries, 550 births, 143,000 outpatient visits.

Direct executive oversight of Hospital Laboratory and six OP draw stations, IP and OP Imaging Services; Food Service Operations; Wound Care/Hyperbaric Center, Respiratory Therapy Services, Outpatient Rehabilitation, Behavioral Health Unit, Oncology & Breast Center Services, Pharmacy, Occupational Health Services, Valet & Concierge program; responsible for strategic planning at both the department and facility level (*Executive sponsor of capital project development including: OP 3T-MRI, Laboratory expansion and Cardiac Catheterization Lab projects*)

Responsible for development of offsite real estate including: build outs and lease negotiations for 175,000 square feet of medical office buildings.

Accomplishments:

- 15% growth in EBDITA over last four years
- Executed strategic plan to revitalize cardiac service line resulting in 4.5% IP and 10.6% OP growth
- Successful submission of NH Certificate of Need application to complete \$67M capital expansion and building renovation (*Project completed 2012*)
- Secured state approval and capital funding for behavioral health unit expansion to 30 beds (*Included a new ED Holding Unit*)
- Successful execution of third party managed care contracting strategies and negotiations for NH operations
- Expanded hospital affiliated physician practices via market development strategies and successful physician recruitment
- Achieved operational efficiencies in diagnostic, general support, patient care and surgical departments in support of total hospital goal of \$6M in performance improvements
- Implemented corporate compliance program consistent with requirements of the 1997 HCA corporate integrity agreement (*Program ranked in 90th percentile of programs audited triennially in 2008 and 2011*)
- Achieved 100% compliance under Federal health care programs regarding physician relationships including: payments related to recruitment, compensation for relocation,

school loan obligations, expense payments, employment, and income guarantee methodologies

- Established hospitalist program (24hour/7day/week service)
- Selected as Interim CEO for Portsmouth Regional Hospital and Parkland Medical Center during recruitment searches.
- Ensured alignment with affiliated entities including Ambulatory Surgery Center, physician practices and sister facility (Parkland Medical Center)

Portsmouth Pavilion (HCA)

*Chief Executive Officer
Chief Financial Officer*

Portsmouth, New Hampshire

*January 1995 - September 1997
September 1989 - January 1995*

Chief Executive Officer for 65 bed psychiatric facility. Credited with financial turnaround achieving 33% growth in admissions, 22% growth in net revenue, 54% growth in EBDITA, 26% growth in margin and 96% growth in return on assets (*Ranked #1 behavioral health facility in HCA*). Development and implementation of strategic plan revitalized hospital operations, improved staffing patterns, enhanced referral development and physician employment agreements.

HCA (Previous Positions)

- *Interim CFO, Athol Memorial Hospital*
- *Interim Business Office Specialist, Reston Hospital*
- *Chief Financial Officer, Mohawk Valley General Hospital*
- *Chief Financial Officer, River Park Hospital*

Nashville, Tennessee

October 1984 - September 1989

Education

- Siena College, Bachelors in Business Administration
- University of New Hampshire, Masters in Health Administration

Board Memberships

- Greater Seacoast United Way 2000 - 2006
- Greater Seacoast United Way Executive Committee 2005 - 2006
- UNH Masters in Health Administration Advisory Board 1997- 1998

Professional Associations

- NHA Compliance Committee - present
- NHA Contracting Committee - present
- American College of Healthcare Executives - present
- Medical Group Management Association - present
- Healthcare Financial Management Association - present

Community

- Great Bay Discovery Center Volunteer - present
- Portsmouth Rotary Volunteer - present
- Cross Roads House Volunteer - present
- United Way Allocations Committee, 1997 - 2009
- United Way Personnel Committee, 2004 - 2009
- United Way Day of Caring, 1997 - 2010
- Billy Cheverie Memorial Golf Tournament - 1994-2009
- United Way Hospital Campaign

KEY ADMINISTRATIVE PERSONNEL - FY2016

GREATER NASHUA MENTAL HEALTH CENTER at COMMUNITY COUNCIL

Postion	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Stuart Hemmings	0.26	\$ 32,238.00	\$ 13,451.86	42%
Chief Financial Officer	Mike DiMarco	1.00	\$ 85,000.00	\$ 35,467.71	42%
Medical Director	Vacant position	0.84	\$ 267,618.00	\$ 111,668.22	42%
Associate Exec. Director	Vacant position	1.00	\$ 110,000.00	\$ 45,899.39	42%


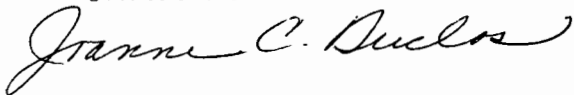
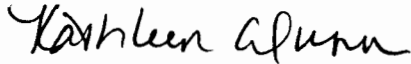
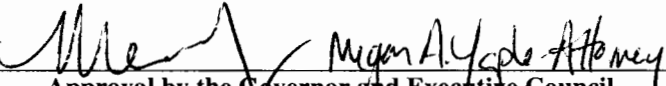
Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center of Greater Manchester, Inc.		1.4 Contractor Address 401 Cypress Street Manchester, NH 03103-3628	
1.5 Contractor Phone Number 603-668-4111	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$1,215,283.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory William Rider President/Chief Executive Officer	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Hillsborough</u> On <u>6/2/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace JOANNE C. DUCLOS, Notary Public My Commission Expires September 18, 2018			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Yeps Attorney On: <u>6/8/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

MPZ
6/2/15

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
 - 14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and
 - 14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials:
Date: 6/2/15

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

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I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. **Days of Cash on Hand:**

- a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.
- b. **Formula:** Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period.

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The short-term investments as used above must mature within three (3) months and should not include common stock.

- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractors cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B. In regard to the data required for the Phoenix system:
1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 3. Data shall be current and updated as required for federal reporting; and
 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level



clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glenclyff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glenclyff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or

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- d. Staff training for collecting new data elements.
 2. Costs associated with developing other BBH-requested data reporting system.
 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs":
 1. Gym Membership;
 2. In SHAPE (includes gym membership);
 3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).
- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:

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1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 2. Prescriber Referral and Facilitated Use of Quit line; and
 3. Prescriber Referral alone.
- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
1. Promote access to the MIPCD program;
 2. Help participants make decisions about health behavior changes; and
 3. Encourage the use of incentives.
- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.
- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.
- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.
- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.
- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.
- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.

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- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 2. Policy and standard procedures for:
 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 4. Communicating client information when referring a client to other agency for information and services.
 5. Activities to develop and implement the NH Care Path Model; and
 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 2. Promote military culture and competence within the CMHC;
 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. CYPRESS CENTER

The Contractor shall operate an Inpatient Crisis Unit on Cypress Street in Manchester, NH to reduce the census at New Hampshire Hospital. The Contractor shall maintain an occupancy rate of eighty percent (80%) and shall admit one hundred and fifty (150) individuals annually on involuntary emergency admission status. If, at the end of the quarter, the Contractor has not met the standard for occupancy or involuntary emergency admissions, the Contractor shall



submit a corrective action plan on a schedule that is mutually agreeable to the parties.

XXV. INSTITUTIONAL REVIEW BOARD

The Institutional Review Board (IRB) is a ten (10) member board that is responsible for reviewing all proposals that are submitted that involve research on individuals with mental illness. The IRB is also called "The Committee for the Protection of Human Subjects". Federal law requires that any time federal dollars are to be used for research on humans, the State must have an IRB. These funds pay for one (1) part-time administrator and one (1) part-time secretary. The IRB reviews approximately one hundred (100) research proposals per year. Most of these proposals deal with the use and effect of different drugs on people with mental illness.

XXVI. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.
- B. At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C. The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D. The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E. The Contractor shall comply with all reporting requirements under the PATH Grant.
- F. The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G. As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as

**New Hampshire Department of Health and Human Services
Exhibit A - Scope of Work**



treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

XXVII. REFUGEE INTERPRETER SERVICES

General funds shall be used to provide language interpreter services for eligible uninsured, non-English speaking refugees receiving community mental health services through the mental health provider. This Contractor was chosen to receive these funds because it is located in one of the primary refugee resettlement areas in New Hampshire.

Region 7 FY16 CMHC Exhibit A

Contractor Initials: WML
Date: 6/2/15

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.150
Federal Agency: U.S. Department of Health and Human Services
Program Title: Projects for Assistance in Transition from Homelessness (PATH) PL 101-645
FAIN: SM016030-14

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731
6. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

ML
6/2/15

1. Medicaid enrolled individuals:
 - a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
 - b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.

G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Institutional Review Board	63,000
Crisis Center	337,500
Homeless and Housing Federal Grant	40,121
Div. for Children Youth and Families (DCYF) Consultation	3,540
Refugee Interpreter Services	14,000
Emergency Services	220,442
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	111,392
Assertive Community Treatment Team (ACT)	402,488
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$1,215,283

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.

3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 7 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
- 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEO on file and submit an EEO Certification Form to the OCR, certifying that its EEO is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEO Certification Form to the OCR certifying it is not required to submit or maintain an EEO. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEO requirement, but are required to submit a certification form to the OCR to claim the exemption. EEO Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a

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result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:

 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:

 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.

 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:

 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;

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- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
 - 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
 - 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
 - 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
 - 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
 - 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
 - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
 - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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

WJL
6/2/15



- 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)

401 Cypress St. Manchester, NH 03103

1555 Elm St. Manchester, NH 03101

1228 Elm St. Manchester, NH 03101

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

Contractor Name: The Mental Health Center of Greater
Manchester

6/2/15
Date

William Rider
Name: William Rider
Title: President/Chief Executive Officer



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: The Mental health Center of Greater
Manchester

6/2/15
Date

William Rider
Name: William Rider
Title: President/Chief Executive Officer



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

The Contractor 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

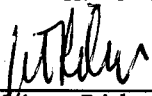
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 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.

Contractor Name: The Mental Health Center of Greater
Manchester

6/2/15
Date


Name: William Rider
Title: President/Chief Executive Officer



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

The Contractor 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:

Contractor 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

Contractor Initials

WMM

Date

6/2/15

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

Contractor Name: The Mental Health Center of Greater
Manchester

6/2/15
Date



Name: William Rider
Title: President/Chief Executive Officer

Exhibit G

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

Contractor Initials 

Date 6/2/15



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 Contractor 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 Contractor 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.

Contractor Name: The Mental Health Center of Greater
Manchester

6/2/15
Date



Name: William Rider
Title: President/Chief Executive Officer



Exhibit I

HEALTH INSURANCE PORTABILITY 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.

Handwritten initials, possibly "MR", written in black ink.

6/2/15



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

[Handwritten Signature]
6/2/15



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.

MM

6/2/15



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.

NH Dept of Health & Human Services
The State

Kathleen A Dunn
Signature of Authorized Representative

Kathleen A Dunn
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6/4/15
Date

TheMental Health Center Of Greater Manchester
Name of the Contractor

William Rider
Signature of Authorized Representative

William Rider
Name of Authorized Representative

President/Chief Executive Officer
Title of Authorized Representative

6/2/15
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: The Mental Health Center of Greater
Manchester

6/2/15
Date

William Rider
Name: William Rider
Title: President/Chief Executive Officer



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: 073978280
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:

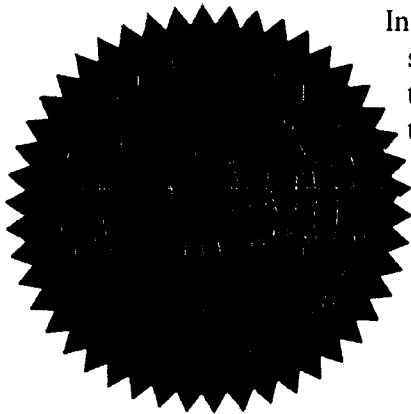
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 THE MENTAL HEALTH CENTER OF GREATER MANCHESTER, INC. is a New Hampshire nonprofit corporation formed October 17, 1960. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



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 April, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Leo Simard, do hereby certify that:

1. I am the duly elected Clerk of The Mental Health Center of Greater Manchester
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on May 26, 2015.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services**

RESOLVED: That the President/Chief Executive Officer hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 2, 2015.

4. **William Rider** is duly elected **President/Chief Executive Officer** of the Corporation.

(Seal)
(Corporation)


(Signature of Board Secretary)

State of **New Hampshire**

County of **Hillsborough**

The foregoing instrument was acknowledged before me this 2nd day of **June, 2015**

by **Leo Simard**.



Name: **Joanne Duclos**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: 9/18/18



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/23/2015

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).

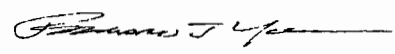
PRODUCER CGI Business Insurance PO Box 1260 North Hampton NH 03862	CONTACT NAME: Mark Harvie, PHONE (A/C No. Ext): (603) 232-9306 E-MAIL ADDRESS: mharvie@cgbenefitsgroup.com	FAX (A/C No.):
	INSURER(S) AFFORDING COVERAGE	
INSURED The Mental Health Center of Greater Manchester 401 Cypress Street Manchester NH 03103-3628	INSURER A: Philadelphia Insurance Company	NAIC # 23850
	INSURER B: AIM Mutual Insurance Company	NAIC # 33758
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 15-16 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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			PHPK1310483	4/1/2015	4/1/2016	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	<input checked="" type="checkbox"/> Professional Liability						PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 3,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 3,000,000
							\$
A	AUTOMOBILE LIABILITY			PHPK1310483	4/1/2015	4/1/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input checked="" type="checkbox"/> OCCUR		PHUB493663	4/1/2015	4/1/2016	EACH OCCURRENCE \$ 10,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 10,000,000
	DED <input checked="" type="checkbox"/>	RETENTION \$ 10,000					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			ECC60040000298-2014A	9/12/2014	9/12/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					E.L. EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> N	N/A				E.L. DISEASE - EA EMPLOYEE \$ 500,000
							E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Supplemental Names Manchester Mental Health Foundation, Inc., Manchester Mental Health Realty, Inc., Manchester Mental Health Services, Inc., Manchester Mental Health Ventures, Inc.
 This Certificate is issue for insured operations usual to Mental Health Services.

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 Edward Young/KF 

**The Mental Health Center
OF GREATER MANCHESTER**

MISSION

To provide an accessible, comprehensive, integrated, evidence-based system of mental health services that empowers individuals to achieve recovery and serves to promote personal and community wellness.

VISION

To be a center of excellence and sought after partner in developing and delivering state-of-the-art mental health treatment, integrated with other medical specialties, that promote prevention, recovery and wellness.

GUIDING VALUES AND PRINCIPLES

We treat everyone with respect, compassion and dignity.

We offer hope and recovery through individualized, quality mental health services.

We provide evidence-based, culturally responsive and consumer/family focused care.

We support skilled staff members who work together and strive for excellence.

We pursue partnerships that promote wellness and create a healthy community.

Approved by Board of Directors, March 24, 2009

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.

COMBINING FINANCIAL STATEMENTS

June 30, 2014

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.

We have audited the accompanying combining financial statements of The Mental Health Center of Greater Manchester, Inc. and its affiliate Manchester Mental Health Foundation, Inc. (nonprofit organizations) which comprise the statement of financial position as of June 30, 2014, and the related combining statements of activities and cash flows for the year then ended, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's 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.

To the Board of Directors
of The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
Page 2

Opinion

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the individual and combining financial positions of The Mental Health Center of Greater Manchester, Inc. and Manchester Mental Health Foundation, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The supplementary information on pages 17 through 21 is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with audit 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 financial statements as a whole.

Kittell Branagan + Sargent

St. Albans, Vermont
October 8, 2014

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
COMBINING STATEMENTS OF FINANCIAL POSITION
June 30, 2014

<u>ASSETS</u>				
	<u>MHCGM</u>	<u>Foundation</u>	<u>Eliminating Entries</u>	<u>Combined Total</u>
CURRENT ASSETS				
Cash	\$ 4,322,511	7,786	\$ 100,049	\$ 4,430,346
Accounts Receivable, net	3,491,324	-	-	3,491,324
Other Accounts Receivable	170,527	100,049	(135,849)	134,727
Grant Receivable	9,167	-	-	9,167
Investments	-	2,369,450	-	2,369,450
Prepaid Expenses	166,325	-	-	166,325
TOTAL CURRENT ASSETS	<u>8,159,854</u>	<u>2,477,285</u>	<u>(35,800)</u>	<u>10,601,339</u>
PROPERTY, PLANT AND EQUIPMENT,				
Net of accumulated depreciation	<u>3,150,133</u>	<u>-</u>	<u>-</u>	<u>3,150,133</u>
TOTAL ASSETS	<u>\$ 11,309,987</u>	<u>\$ 2,477,285</u>	<u>\$ (35,800)</u>	<u>\$ 13,751,472</u>
 <u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES				
Accounts Payable	\$ 192,705	\$ -	\$ -	\$ 192,705
Due To Affiliate	-	35,800	(35,800)	-
Accrued Payroll & Vacation, other accruals	1,869,091	4,001	-	1,873,092
Deferred Revenue	67,448	-	-	67,448
Amounts held for Patients and Other Deposits	19,776	-	-	19,776
TOTAL CURRENT LIABILITIES	<u>2,149,020</u>	<u>39,801</u>	<u>(35,800)</u>	<u>2,153,021</u>
EXTENDED ILLNESS LEAVE, Long term	<u>549,202</u>	<u>-</u>	<u>-</u>	<u>549,202</u>
POST-RETIREMENT BENEFIT OBLIGATION	<u>64,806</u>	<u>-</u>	<u>-</u>	<u>64,806</u>
NET ASSETS				
Unrestricted	8,546,959	2,206,815	-	10,753,774
Permanently restricted	-	230,669	-	230,669
TOTAL NET ASSETS	<u>8,546,959</u>	<u>2,437,484</u>	<u>-</u>	<u>10,984,443</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,309,987</u>	<u>\$ 2,477,285</u>	<u>\$ (35,800)</u>	<u>\$ 13,751,472</u>

See Accompanying Notes to Financial Statements

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
COMBINING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

	<u>MHCGM</u>	<u>Foundation</u>	<u>Eliminating Entries</u>	<u>Combined Total</u>
REVENUE AND OTHER SUPPORT				
Program Service Fees	\$ 19,487,493	\$ -	\$ -	\$ 19,487,493
Fees and Grants from Governmental Agencies	1,692,671	-	-	1,692,671
Rental Income	133,512	-	-	133,512
Other Income	<u>1,879,581</u>	-	<u>(83,709)</u>	<u>1,795,872</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>23,193,257</u>	<u>-</u>	<u>(83,709)</u>	<u>23,109,548</u>
OPERATING EXPENSES				
Program Services:				
Children & Adolescents	3,815,544	-	-	3,815,544
Elderly	535,386	-	-	535,386
Emergency Services	1,505,626	-	-	1,505,626
Vocational Services	492,719	-	-	492,719
Non-Eligibles	1,364,151	-	-	1,364,151
Mutli-Service Team	8,109,729	-	-	8,109,729
Crisis Unit	2,240,877	-	-	2,240,877
Community Residences & Support Living	1,537,712	-	-	1,537,712
Other	<u>1,156,735</u>	<u>-</u>	<u>-</u>	<u>1,156,735</u>
Total Program Services	20,758,479	-	-	20,758,479
Supporting Services				
Management and General	<u>2,320,685</u>	<u>-</u>	<u>(151,197)</u>	<u>2,169,488</u>
TOTAL OPERATING EXPENSES	<u>23,079,164</u>	<u>-</u>	<u>(151,197)</u>	<u>22,927,967</u>
INCOME FROM OPERATIONS	<u>114,093</u>	<u>-</u>	<u>67,488</u>	<u>181,581</u>
NON-OPERATING REVENUE/(EXPENSES)				
Contributions	277,949	156,668	(151,197)	283,420
Interest/Dividend Income	3,097	80,631	-	83,728
Investment Return	-	223,764	-	223,764
Dues	-	(4,800)	-	(4,800)
Donations/Contributions	-	(83,709)	83,709	-
Miscellaneous Expenses	<u>-</u>	<u>(7,250)</u>	<u>-</u>	<u>(7,250)</u>
NON-OPERATING REVENUE/ (EXPENSES), NET	<u>281,046</u>	<u>365,304</u>	<u>(67,488)</u>	<u>578,862</u>
INCREASE IN NET ASSETS	395,139	365,304	-	760,443
NET ASSETS AT BEGINNING OF YEAR	<u>8,151,820</u>	<u>2,072,180</u>	<u>-</u>	<u>10,224,000</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,546,959</u>	<u>\$ 2,437,484</u>	<u>\$ -</u>	<u>\$ 10,984,443</u>

See Accompanying Notes to Financial Statements.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
COMBINING STATEMENTS OF CASH FLOWS
For the Year Ended June 30, 2014

	MHCGM	Foundation	Eliminating Entries	Combined Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ 395,139	\$ 365,304	\$ -	\$ 760,443
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	235,860	-	-	235,860
Unrealized loss on investments	-	170,774	-	170,774
Realized gain on investments	-	(67,060)	-	(67,060)
Decrease (Increase) in Operating Assets:				
Accounts Receivable	(1,589,575)	-	-	(1,589,575)
Prepaid Expenses, grants and contracts receivable, and other current assets	88,931	-	-	88,931
Escrow	-	-	-	-
Increase (Decrease) in Operating Liabilities:				
Accounts Payable	15,203	-	-	15,203
Due to Affiliate	-	(88,249)	100,049	11,800
Accrued Expenses and Other Current Liabilities	(347,450)	249	-	(347,201)
Deferred Revenue	(2,770)	-	-	(2,770)
Medicaid Advance	(220,498)	-	-	(220,498)
Amounts held for Patients and Other Deposits	(582)	-	-	(582)
Post Retirement Benefit Obligation	(8,865)	-	-	(8,865)
Extended Illness Leave	62,997	-	-	62,997
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,371,610)</u>	<u>381,018</u>	<u>100,049</u>	<u>(890,543)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant, and equipment, net	(330,611)	-	-	(330,611)
Proceeds from sale of investments	-	1,090,871	-	1,090,871
Purchase of investments	-	(1,466,467)	-	(1,466,467)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(330,611)</u>	<u>(375,596)</u>	<u>-</u>	<u>(706,207)</u>
NET INCREASE (DECREASE) IN CASH	(1,702,221)	5,422	100,049	(1,596,750)
CASH AT BEGINNING OF YEAR	<u>6,024,732</u>	<u>2,364</u>	<u>-</u>	<u>6,027,096</u>
CASH AT END OF YEAR	<u>\$ 4,322,511</u>	<u>\$ 7,786</u>	<u>\$ 100,049</u>	<u>\$ 4,430,346</u>

See Accompanying Notes to Financial Statements.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Mental Health Center of Greater Manchester, Inc. (the "Center") a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). In July 1990, the Center was reorganized and Manchester Mental Health Foundation, Inc. (the "Foundation") became the sole corporate member of the Center. The Foundation is also a 501(c)(3). The Foundation's purpose is to raise and invest funds for the benefit of the Center.

Basis of Presentation

The combining financial statements include the accounts of The Mental Health Center of Greater Manchester, Inc. and its affiliate, Manchester Mental Health Foundation, Inc. All inter-company transactions and accounts have been eliminated in combination.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

State Grants

The Center receives a number of grants from, and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Depreciation

The cost of property, equipment and improvements is depreciated over the estimated useful life of the assets using the straight line method. Assets deemed to have a useful life greater than three years are deemed capital in nature. Estimated useful lives range from 3 to 40 years.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Accounts Receivable

Accounts receivable are recorded based on amounts billed for services provided, net of respective contractual adjustments and bad debt allowances.

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for contractual adjustments and bad debts. Data in each major payor source is regularly reviewed to evaluate the adequacy of the allowance for contractual adjustments and doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for contractual adjustments and doubtful accounts and a corresponding provision for contractual adjustments and bad debts are established for amounts outstanding for an extended period of time and for third-party payors experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated contractual allowances and uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center decreased its estimate in the allowance for doubtful accounts from 63% to 58% of total accounts receivable to \$4,918,837 as of June 30, 2014 from \$3,212,981 as of June 30, 2013. This was a result of self-pay patient accounts receivable decreasing as a percentage of accounts receivable to 45% of total accounts receivable as of June 30, 2014 from 47% of total accounts receivable as of June 30, 2013.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payor coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payor programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled \$19,487,493, of which \$18,814,359 was revenue from third-party payors and \$673,134 was revenue from self-pay clients.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Temporarily and Permanently Restricted Net Assets

Gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets.

Temporarily restricted net assets are those whose use by the Center has been limited by donors to a specific time period or purpose. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as either net assets released from restrictions (for non-capital related items) or as net assets released from restrictions used for capital purchases (capital related items).

Permanently restricted net assets are restricted by donors and to be maintained in perpetuity. Income earned on permanently restricted net assets, to the extent not restricted by the donor, including net realized appreciation on investments, would be included in the statement of activities as unrestricted resources or as a change in temporarily restricted net assets in accordance with donor-intended purposes.

Employee Benefit Program

The Center maintains a tax-sheltered annuity benefit program, which covers substantially all employees. Eligible employees may contribute up to maximum limitations (set annually by the IRS) of their annual salary. After one year's employment, the employees' contributions are matched by the Center up to 5 percent of their annual salary. The combined amount of employee and employer contributions is subject by law to yearly maximum amounts. The employer match was \$372,866 for the year ended June 30, 2014.

Postretirement Medical Benefits

The Center sponsors an unfunded defined benefit postretirement plan covering certain of its employees (employed prior to January 1, 1997). In 2008, all eligible active employees were offered and accepted a buyout of the program leaving the plan to provide medical benefits to eligible retired employees. See Note 8 for further discussion of the Plan.

For retirements prior to January 1, 1997, benefits are based upon quoted premium rates. For retirements on or after January 1, 1997 up to June 30, 2007, the benefits are based on monthly premiums frozen at their December 31, 1996 level. The plan is funded as premiums are paid.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Malpractice Loss Contingencies

The Center has an occurrence basis policy for its malpractice insurance coverage. An occurrence basis policy provides specific coverage for claims resulting from incidents that occur during the policy term, regardless of when the claims are reported to the insurance carrier. The possibility exists, as a normal risk of doing business, that malpractice claims in excess of insurance coverage may be asserted against the Center. In the event a loss contingency should occur, the Center would give it appropriate recognition in its financial statements.

NOTE 2 CLIENT SERVICE REVENUES FROM THIRD PARTY PAYORS

The Center has agreements with third-party payors that provide payments to the Center at established rates. These payments include:

New Hampshire and Managed Medicaid

The Center is reimbursed for services from the State of New Hampshire and Managed Care Organizations for services rendered to Medicaid clients on the basis of fixed Fee for Service rates.

Approximately 74% of net client service revenue is from participation in the state and managed care organization sponsored Medicaid programs for the year ended June 30, 2014. Laws and regulations governing the Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonable possible that recorded estimates could change materially in the near term.

NOTE 3 PROPERTY AND EQUIPMENT

Property, plant and equipment is stated at cost. 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 assets being depreciated.

Property and equipment consisted of the following at June 30, 2014:

Land	\$ 1,415,708
Buildings and improvements	4,480,139
Furniture and equipment	<u>1,441,630</u>
	7,337,477
Accumulated depreciation	<u>(4,187,344)</u>
	<u>\$ 3,150,133</u>

Depreciation expense for the year ended June 30, 2014 was \$235,860.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE - TRADE

Due from clients	\$ 3,768,470
Managed medicaid	1,715,878
Medicaid receivable	1,401,476
Medicare receivable	490,783
Other insurance	<u>1,033,554</u>
	8,410,161
Allowance	<u>(4,918,837)</u>
	<u>\$ 3,491,324</u>

ACCOUNTS RECEIVABLE – OTHER

Amoskeag Residences	\$ 5,248
Boston University COG	70,982
Catholic Medical Center	11,477
Community Connection	12,153
Denmark	10,852
Farnum Center	7,911
Granite United Way	8,050
Manchester Mental Health Foundation	35,800
Miscellaneous accounts receivable	2,472
North Shore	<u>5,582</u>
	<u>\$ 170,527</u>

GRANTS RECEIVABLE

State of New Hampshire – DHHS	
Division for Children, Youth and Families	<u>\$ 9,167</u>

NOTE 5 DEFERRED REVENUE

CIP Grant	\$ 27,048
Central NY Services	11,140
Greater Manchester Charitable Trust	8,615
HCHC Gym Memberships	4,160
Miscellaneous deferred revenue	8,818
State of NH DIG Grant	<u>7,667</u>
	<u>\$ 67,448</u>

and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 6 LINE OF CREDIT

As of June 30, 2014, the organization had available a line of credit with a bank due on demand with an upper limit of \$2,500,000. The line was not utilized as of June 30, 2014. These funds are available with interest charged at Prime Rate.

NOTE 7 LEASES

The Center leases certain facilities and equipment under operating leases which expire at various dates. Aggregate future minimum payments under non-cancelable operating leases with terms of one year or more are as follows:

2015		\$ 423,723
2016		378,088
2017		25,440
2018		5,404

Rental expense was \$347,075 for the year ended June 30, 2014.

NOTE 8 EXTENDED ILLNESS LEAVE (EIL)

The following table sets forth the Center's funded status of EIL as of June 30, 2014:

Net Post Retirement Health Cost:

Service cost		\$ 29,379
Interest cost		<u>21,780</u>
Net post retirement health cost		<u>\$ 51,159</u>

Change in Accumulated Projected Benefit Obligation:

Accumulated benefit obligation at beginning of year		\$ 486,205
Service cost		29,379
Interest cost		21,780
Actuarial loss		16,245
Benefits paid		<u>(4,407)</u>
Benefit obligation at end of year		<u>\$ 549,202</u>

Balance Sheet Liability:

Accumulated postretirement benefit obligation		\$ 549,202
Fair value of plan assets		<u>-</u>
Unfunded accumulated postretirement benefit obligation		<u>\$ 549,202</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 8 EXTENDED ILLNESS LEAVE (EIL) (continued)

Reconciliation of Accrued Costs:

Accrued benefit obligation at beginning of year	\$ 548,432
Net post retirement health cost for the year	51,159
Contributions made during the year (benefits paid)	<u>(4,407)</u>
Accrued post retirement health cost at end of year	<u>\$ 595,184</u>

Estimated Future Benefit Payments:

2014 – 2015	\$ 17,200
2015 – 2016	34,900
2016 – 2017	20,600
2017 – 2018	51,900
2018 – 2019	43,000
2019 – 2024	<u>313,900</u>

Expected contribution for next fiscal year \$ 17,200

Change in Balance Sheet Liability:

Balance sheet liability at beginning of year	\$ (486,205)
Net actuarial gain arising during the year	(16,245)
Increase from current year service and interest cost	(51,159)
Contributions made during the year	<u>4,407</u>
Balance sheet liability at end of year	<u>\$ (549,202)</u>

Amounts Recognized as Adjustments to Unrestricted Net Assets:

Adjustments to unrestricted net assets from adoption of FAS 158 at beginning of year	\$ (62,229)
Net actuarial (gain) or loss arising during the year	16,245
Reclassification from amortization of net actuarial loss recognized during the year	<u>1,103</u>
Unrestricted net assets not yet classified as NPBC at end of year	<u>\$ (44,881)</u>

Unrestricted Net Assets Not Yet Classified As Net Postretirement Benefit Cost:

Unrecognized prior service cost	\$ -
Unrecognized net actuarial gain or (loss)	<u>(44,881)</u>
Unrestricted net assets not yet classified as NPBC at end of year	<u>\$ (44,881)</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 8 EXTENDED ILLNESS LEAVE (EIL) (continued)

Unrestricted Net Assets Expected to be Reclassified as Net Postretirement Benefit Cost in Next Fiscal Year:	
Recognition of amortization of net Actuarial Loss in next fiscal year's expense	<u>\$ 1,103</u>

The weighted-average discount rate used in determining the accumulated benefit obligation was 4.00% at June 30, 2014.

NOTE 9 OTHER POST-RETIREMENT HEALTH BENEFIT PLAN

During 2007, the Center offered a buyout to employees who would have been eligible to participate in the post retirement health plan upon their retirement. As a result, no additional employees will be enrolled in the plan. Only current retirees participate in the plan.

During 1997, the Center amended the plan to freeze monthly premiums at their December 31, 1996 level and to no longer provide the postretirement benefit to employees hired after December 31, 1996. The weighted-average annual assumed rate of increase in per capita cost of covered benefits (i.e., health care cost trend rate) was 4.00% for the year ending June 30, 2014; and 4.00% per year for retirements that occurs on or after January 1, 1997, until those retirees' monthly premium cap of \$188 is reached.

Net Post Retirement Health Cost:

Interest cost	\$ 3,029
Net amortization of (gain)	<u>(17,893)</u>
Net post retirement health cost	<u>\$ (14,864)</u>

Change in Accumulated Projected Benefit Obligation:

Accumulated benefit obligation at beginning of year	\$ 73,671
Interest cost	3,029
Actuarial loss	823
Benefits paid	<u>(12,717)</u>
Benefit obligation at end of year	<u>\$ 64,806</u>

FASB Balance Sheet Liability:

Accumulated postretirement benefit obligation	\$ 64,806
Fair value of plan assets	<u>-</u>
Unfunded accumulated postretirement benefit obligation	<u>\$ 64,806</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 9 OTHER POST-RETIREMENT HEALTH BENEFIT PLAN (continued)

Reconciliation of Accrued Costs:

Accrued benefit obligation at beginning of year	\$ 259,964
Net post retirement health cost for the year	(14,864)
Contributions made during the year (benefits paid)	<u>(12,717)</u>
Accrued post retirement health cost at end of year	<u>\$ 232,383</u>

Gains and losses in excess of 10% of the greater of the benefit obligation and the fair value of assets are amortized over the average remaining service period of active participants.

Assumptions

Weighted-average assumptions used to determine Benefit Obligations at June 30, 2014:

Discount rate 4.50%

Assumed health care cost trend rates have a significant effect on the amounts reported for health care plans. A 1% change in assumed health care cost trend rates would have the following effects:

	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	<u>\$ 3,088</u>	<u>\$ 2,972</u>
	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on the health care component of the accumulated postretirement benefit obligation	<u>\$ 66,206</u>	<u>\$ 63,441</u>

Weighted-average assumptions used to determine Net Periodic Benefit Cost at June 30, 2014:

Discount rate 4.00%

Cash Flows

Estimated Future Benefit Payments:

2014 – 2015	\$ 13,700
2015 – 2016	14,300
2016 – 2017	14,900
2017 – 2018	15,500
2018 – 2019	16,200
2019 – 2024	<u>11,300</u>

Expected contribution for next fiscal year: \$ 13,700

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 9 OTHER POST-RETIREMENT HEALTH BENEFIT PLAN (continued)

Change in Balance Sheet Liability:	
Balance sheet liability at beginning of year	\$ (73,671)
Net actuarial gain or (loss) arising during the year	(823)
Increase from current year service and interest cost	(3,029)
Contributions made during the year	<u>12,717</u>
Balance sheet liability at end of year	<u>\$ (64,806)</u>
Amounts Recognized as Adjustments to Unrestricted Net Assets:	
Adjustments to unrestricted net assets from adoption of of FAS 158 at beginning of year	\$ (186,293)
Net actuarial (gain) arising during the year	823
Reclassification from amortization of net actuarial loss recognized during the year	<u>17,893</u>
Unrestricted net assets not yet classified as NPBC at end of year	<u>\$ (167,577)</u>
Reconciliation of Accrued Costs:	
Unrecognized prior service cost	\$ -
Unrecognized net actuarial gain or (loss)	<u>(167,577)</u>
Unrestricted net assets not yet classified as NPBC at end of year	<u>\$ (167,577)</u>
Unrestricted Net Assets Expected to be Reclassified as Net Postretirement Benefit Cost in Next Fiscal Year:	
Recognition of amortization of net Actuarial Loss in next fiscal year's expense	<u>\$ 17,893</u>

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Center held deposits with TD Bank North totaling \$4,508,090 as of June 30, 2014. Of this amount \$4,258,090 is in excess of FDIC coverage of \$250,000. The Center has collateralized this excess with Federal repurchase agreements.

The Center held investments with LPL Financial totaling \$2,345,680 as of June 30, 2014. Of this amount \$1,845,680 is in excess of SIPC coverage of \$500,000 and is uninsured.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 11 RELATED PARTY TRANSACTIONS

Amoskeag Residences, Inc. was formed by the Mental Health Center of Greater Manchester, Inc. The board of directors for Amoskeag Residences, Inc. is comprised of members of management from the Center. Included in accounts receivable as of June 30, 2014 is \$5,248 due to the Center from Amoskeag Residences, Inc. The Mental Health Center of Greater Manchester, Inc. is reimbursed for services it provides to Amoskeag Residences, Inc., such as bookkeeping services, insurance coverage, and repairs and maintenance services. The amounts for the years ended June 30, 2014 are as follows:

Billed	<u>\$ 61,674</u>
Reimbursed	<u>\$ 61,516</u>

NOTE 12 INVESTMENTS

Investments are presented in the combining financial statements at market value as follows:

	<u>Cost</u>	<u>Market</u>
Cash and Cash Equivalents	\$ 23,770	\$ 23,770
Marketable Equity Securities	<u>2,053,047</u>	<u>2,345,680</u>
TOTAL	<u>\$ 2,076,817</u>	<u>\$ 2,369,450</u>

Investment return consisted of the following:

Advisory Fees	\$ (14,070)
Net realized gain	67,060
Change in Fair Market Value - Net unrealized gain	<u>170,774</u>
TOTAL INVESTMENT GAIN	<u>\$ 223,764</u>

NOTE 13 FAIR VALUE MEASUREMENTS

The Foundation's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable or reflective of future fair values. Furthermore, although the Foundation believes its valuations methods are appropriate and consistent with other market participant, the use of different methodologies or assumptions to measure the fair value of certain financial instruments could result in a different fair value at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quotes prices in active markets for identical assets and have the highest priority, and Level 3 inputs are unobservable and have the lowest priority.

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 13 FAIR VALUE MEASUREMENTS (continued)

The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 input valuation methods are described in detail below and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds, equities and options are valued at the daily closing price as reported by the fund. Mutual funds, equities and options held by the Foundation are open-end and are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The investments held by the Foundation are deemed to be actively traded.

The following table presents by level, within the fair value hierarchy, the Foundation investment assets at fair value, as of June 30, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

<u>Description</u>	<u>06/30/14</u>	<u>Quoted Price In Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Cash and Cash Equivalents	\$ 23,770	\$ 23,770	\$ -	\$ -
Mutual Funds:				
Nontraditional Bond	203,063	203,063	-	-
High Yield Bonds	250,163	250,163	-	-
Conservative Allocation	121,021	121,021	-	-
Mid-Cap Growth	102,790	102,790	-	-
World Stock	80,905	80,905	-	-
Natural Resources	58,017	58,017	-	-
Multisector Bonds	238,313	238,313	-	-
Large Value	265,757	265,757	-	-
Large Blend	436,085	436,085	-	-
Mid-Cap Value	369,077	369,077	-	-
Health	59,293	59,293	-	-
Foreign Small/Mid Growth	108,555	108,555	-	-
Small Growth	52,641	52,641	-	-
Total	<u>\$ 2,369,450</u>	<u>\$ 2,369,450</u>	<u>\$ -</u>	<u>\$ -</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
NOTES TO COMBINING FINANCIAL STATEMENTS
June 30, 2014

NOTE 14 CONCENTRATIONS OF CREDIT RISK

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2014 is as follows:

Due from clients	45 %
Managed medicaid	20
Medicaid	17
Medicare	6
Other insurance	<u>12</u>
	<u>100 %</u>

NOTE 15 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center and Foundation has evaluated subsequent events through October 8, 2014, which is the date these basic financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2014, have been incorporated into these basic financial statements herein.

SUPPLEMENTARY INFORMATION

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	<u>Accounts Receivable Beginning of Year</u>	<u>Gross Fees</u>	<u>Contractual Allowances and Other Discounts Given</u>	<u>Cash Receipts</u>	<u>Accounts Receivable End of Year</u>
CLIENT FEES	\$ 2,420,159	\$ 6,900,603	\$ (4,989,682)	\$ 562,610	\$ 3,768,470
MANAGED MEDICAID	-	7,752,124	(1,581,341)	4,454,905	1,715,878
MEDICAID	1,906,264	14,605,459	(5,025,361)	10,084,886	1,401,476
MEDICARE	183,776	2,342,438	(1,166,679)	868,752	490,783
OTHER INSURANCE	604,532	4,659,072	(2,303,284)	1,926,766	1,033,554
ALLOWANCE	<u>(3,212,981)</u>	<u>-</u>	<u>(1,705,856)</u>	<u>-</u>	<u>(4,918,837)</u>
TOTAL	<u>\$ 1,901,750</u>	<u>\$ 36,259,696</u>	<u>\$(16,772,203)</u>	<u>\$ 17,897,919</u>	<u>\$ 3,491,324</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2014

	(Deferral) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	(Deferral) From BBH End of Year
CONTRACT YEAR, June 30, 2014	<u>\$ (15,585)</u>	<u>\$ 1,663,762</u>	<u>\$ (1,658,136)</u>	<u>\$ (9,959)</u>

<u>Analysis of Receipts: Date of Receipt/Deposit</u>	<u>Amount</u>
07/25/13	\$ 213,996
08/14/13	29,099
09/03/13	120,569
09/30/13	106,998
10/28/13	137,618
11/05/13	1,435
11/21/13	106,998
12/12/13	3,777
12/27/13	180,508
01/22/14	106,998
01/31/14	17,104
02/11/14	885
02/28/14	135,996
03/19/14	28,535
04/02/14	106,998
04/02/14	46,398
05/05/14	106,998
05/08/14	37,449
05/15/14	2,831
06/02/14	107,593
06/26/14	6,825
06/27/14	10,030
06/30/14	<u>42,498</u>
	<u>\$ 1,658,136</u>

The Mental Health Center of Greater Manchester, Inc.
and Manchester Mental Health Foundation, Inc.
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

	<u>Total Agency</u>	<u>Total Admin.</u>	<u>Total Programs</u>	<u>Child/ Adol.</u>	<u>Elderly Services</u>	<u>Emergency Services</u>
PROGRAM SERVICE FEES						
Net Client Fees	\$ 653,270	\$ -	\$ 653,270	\$ (374)	\$ 16,678	\$ 157,236
HMO's	1,041,519	-	1,041,519	189,160	7,816	189,515
Blue Cross/Blue Shield	1,567,029	-	1,567,029	279,197	14,386	252,540
Medicaid	14,368,426	-	14,368,426	4,428,527	226,884	359,343
Medicare	1,514,948	-	1,514,948	(103)	231,750	8,422
Other Insurance	322,437	-	322,437	53,741	12,645	37,126
Other Program Fees	<u>19,864</u>	<u>-</u>	<u>19,864</u>	<u>(2,787)</u>	<u>40</u>	<u>677</u>
Sub-total	<u>19,487,493</u>	<u>-</u>	<u>19,487,493</u>	<u>4,947,361</u>	<u>510,199</u>	<u>1,004,859</u>
PUBLIC SUPPORT						
United Way	34,050	-	34,050	-	-	-
LOCAL/COUNTY GOVERNMENT						
Donations/Contributions	277,949	-	277,949	-	-	-
Div. Alc/Drug Abuse Prev	22,894	-	22,894	22,894	-	-
Div. for Children, Youth & Families	3,540	-	3,540	3,540	-	-
FEDERAL FUNDING						
PATH	40,120	-	40,120	-	-	40,120
CARE NH Contracts	2,475	-	2,475	-	-	-
OTHER FEDERAL GRANTS	288,879	-	288,879	-	-	-
RENTAL INCOME	133,512	-	133,512	-	-	-
INTEREST INCOME	3,097	-	3,097	-	-	-
BBH						
Bureau of Behavioral Health	1,334,763	-	1,334,763	-	-	510,861
OTHER REVENUES	<u>1,845,531</u>	<u>-</u>	<u>1,845,531</u>	<u>70,437</u>	<u>14,590</u>	<u>332,654</u>
Sub-total	<u>3,986,810</u>	<u>-</u>	<u>3,986,810</u>	<u>96,871</u>	<u>14,590</u>	<u>883,635</u>
TOTAL PROGRAM REVENUES	<u>\$ 23,474,303</u>	<u>\$ -</u>	<u>\$ 23,474,303</u>	<u>\$ 5,044,232</u>	<u>\$ 524,789</u>	<u>\$ 1,888,494</u>

<u>Vocational Services</u>	<u>Non - Eligibles</u>	<u>Multi. Service Team</u>	<u>Respite</u>	<u>Crisis Unit</u>	<u>Community Residence</u>	<u>Supportive Living</u>	<u>Other Mental Health</u>	<u>Other Non-BBH</u>
\$ 2,696	\$ 47,647	\$ 190,923	\$ 427	\$ 110,010	\$ 1,608	\$ 466	\$ -	\$ 125,953
-	338,138	179,718	-	138,399	-	(1,496)	-	269
-	482,572	325,950	-	212,342	-	-	-	42
419,472	155,653	6,624,641	7,305	1,072,252	440,640	633,709	-	-
-	185,426	1,089,395	-	58	-	-	-	-
(212)	76,784	84,094	-	57,342	-	847	-	70
(212)	21,705	1,830	-	(1,398)	-	9	-	-
<u>421,744</u>	<u>1,307,925</u>	<u>8,496,551</u>	<u>7,732</u>	<u>1,589,005</u>	<u>442,248</u>	<u>633,535</u>	<u>-</u>	<u>126,334</u>
-	34,050	-	-	-	-	-	-	-
-	89,709	550	-	-	-	-	-	187,690
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	2,475	-	-	-	-	-	-	-
-	-	288,879	-	-	-	-	-	-
-	-	-	875	-	-	132,131	-	506
-	-	-	-	-	-	-	-	3,097
-	-	80,000	-	675,000	10,902	-	58,000	-
11,540	37,224	132,789	-	49,211	8,449	30,016	2,061	1,156,560
<u>11,540</u>	<u>163,458</u>	<u>502,218</u>	<u>875</u>	<u>724,211</u>	<u>19,351</u>	<u>162,147</u>	<u>60,061</u>	<u>1,347,853</u>
<u>\$ 433,284</u>	<u>\$ 1,471,383</u>	<u>\$ 8,998,769</u>	<u>\$ 8,607</u>	<u>\$ 2,313,216</u>	<u>\$ 461,599</u>	<u>\$ 795,682</u>	<u>\$ 60,061</u>	<u>\$ 1,474,187</u>

The Mental Health Center of Greater Manchester, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2014

	Total Agency	Total Admin.	Total Programs	Child/ Adol.	Elderly Services	Emergency Services
PERSONNEL COSTS						
Salary and Wages	\$ 15,191,171	\$ 1,446,158	\$ 13,745,013	\$ 2,556,544	\$ 372,526	\$ 1,089,013
Employee Benefits	3,248,582	309,137	2,939,445	585,584	66,620	195,178
Payroll Taxes	1,166,232	110,427	1,055,805	202,513	32,681	77,908
Sub-total	19,605,985	1,865,722	17,740,263	3,344,641	471,827	1,362,099
PROFESSIONAL FEES						
Client Evaluations/Services	227,512	149,233	78,279	-	1,521	-
Audit Fees	46,625	4,425	42,200	7,968	1,651	2,261
Legal Fees	25,646	1,037	24,609	1,072	251	315
Other Prof. Fees/Consultants	48,810	8,624	40,186	7,588	1,572	2,153
STAFF DEVELOPMENT & TRAINING						
Journals/Publications	1,932	674	1,258	164	14	20
In-service Training	1,531	38	1,493	68	14	19
Conferences/Conventions	47,820	15,476	32,344	6,536	496	1,302
Other Staff Development	20,130	2,500	17,630	-	-	-
OCCUPANCY COSTS						
Rent	347,075	10,575	336,500	195,170	-	-
Heating Costs	40,554	-	40,554	-	-	-
Other Utilities	259,740	28,490	231,250	12,212	7,116	29,071
Maintenance & Repairs	388,994	26,188	362,806	25,104	10,232	21,275
Other Occupancy Costs	6,724	155	6,569	-	19	80
CONSUMABLE SUPPLIES						
Office	194,590	51,160	143,430	19,779	3,890	9,657
Building/Household	56,475	4,439	52,036	3,402	845	4,394
Educational/Training	168,141	756	167,385	25,290	5,761	1,465
Food	69,932	822	69,110	518	-	-
Medical	87,009	74	86,935	444	27	38
Other Consumable Supplies	136,829	37,120	99,709	15,958	2,590	7,581
Depreciation-Equipment	125,193	13,392	111,801	19,903	3,991	7,666
Depreciation-Building	110,667	6,411	104,256	595	5,055	6,692
Equipment Maintenance	9,747	4,359	5,388	579	395	19
Advertising	18,146	4,781	13,365	1,777	477	443
Printing	29,673	5,165	24,508	4,177	708	1,547
Telephone/Communication	183,133	25,937	157,196	29,341	4,766	13,959
Postage & Shipping	42,100	19,041	23,059	4,072	844	1,627

Vocational Services	Non - Eligibles	Multi. Service Team	Respite	Crisis Unit	Community Residence	Supportive Living	Other Mental Health	Other Non-DMH
\$ 298,173	\$ 997,024	\$ 5,459,185	\$ -	\$ 1,390,911	\$ 236,306	\$ 681,472	\$ 44,645	\$ 619,214
73,837	100,569	1,294,782	-	239,409	61,655	209,647	7,547	104,617
24,682	64,051	430,136	-	104,968	17,847	52,156	3,616	45,247
<u>396,692</u>	<u>1,161,644</u>	<u>7,184,103</u>	<u>-</u>	<u>1,735,288</u>	<u>315,808</u>	<u>943,275</u>	<u>55,808</u>	<u>769,078</u>
3,595	11,779	37,823	-	25,202			1,859	(3,500)
1,306	2,900	15,731	-	4,933	956	2,849	233	1,412
2,181	356	18,921	-	798	117	350	74	174
1,243	2,762	14,981	-	4,697	910	2,712	222	1,346
61	54	136	-	282	8	505	2	12
11	25	135	-	42	8	25	2	1,144
403	1,423	11,878	-	3,583	375	720	46	5,582
-	-	-	-	11,130	300	6,200	-	-
-	84,125	57,205	-	-	-	-	-	-
-	-	-	-	-	-	40,554	-	-
9,502	8,109	63,438	-	58,142	-	34,335	8,744	581
13,386	10,911	98,561	-	104,354	1,046	65,146	11,830	961
26	-	162	-	1,196	-	5,060	24	2
3,931	22,765	49,350	-	17,420	344	9,994	1,775	4,525
1,120	1,489	8,226	-	20,317	26	11,095	989	133
843	2,286	83,669	-	10,589	10,799	3,377	82	23,224
260	-	68	-	66,510	-	1,739	-	15
22	48	11,382	-	69,846	16	47	4	5,061
5,592	9,668	33,596	-	12,535	1,149	8,231	1,024	1,785
3,220	7,295	39,805	-	16,749	2,297	6,845	592	3,438
6,750	257	49,688	-	15,259	-	13,617	6,212	131
161	363	2,025	-	1,440	8	25	291	82
255	3,073	3,079	-	1,414	187	557	46	2,057
537	4,617	7,679	-	2,288	329	979	161	1,486
8,514	8,574	58,412	-	20,068	948	7,486	3,948	1,180
667	1,482	8,065	-	3,507	488	1,456	119	732

The Mental Health Center of Greater Manchester, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014

	<u>Total Agency</u>	<u>Total Admin.</u>	<u>Total Programs</u>	<u>Child/ Adol.</u>	<u>Elderly Services</u>	<u>Emergency Services</u>
TRANSPORTATION						
Staff	200,204	4,884	195,320	37,884	1,014	17,700
Clients	25,156	70	25,086	1,532	10	70
INSURANCE						
Malpractice & Bonding	75,315	6,851	68,464	12,927	2,678	3,669
Vehicles	10,739	1,019	9,720	1,835	380	521
Comp Property/Liability	136,841	12,690	124,151	23,442	4,856	6,653
MEMBERSHIP DUES	50,298	2,548	47,750	2,919	605	828
OTHER EXPENDITURES	<u>279,898</u>	<u>6,029</u>	<u>273,869</u>	<u>8,647</u>	<u>1,781</u>	<u>2,502</u>
Total Expenditures	23,079,164	2,320,685	20,758,479	3,815,544	535,386	1,505,626
Administration Allocation	<u>-</u>	<u>(2,320,685)</u>	<u>2,320,685</u>	<u>435,145</u>	<u>66,218</u>	<u>167,525</u>
TOTAL PROGRAM EXPENSES	<u>23,079,164</u>	<u>-</u>	<u>23,079,164</u>	<u>4,250,689</u>	<u>601,604</u>	<u>1,673,151</u>
SURPLUS/(DEFICIT)	<u>\$ 395,139</u>	<u>\$ -</u>	<u>\$ 395,139</u>	<u>\$ 793,543</u>	<u>\$ (76,815)</u>	<u>\$ 215,343</u>

<u>Vocational Services</u>	<u>Non - Eligibles</u>	<u>Multi. Service Team</u>	<u>Respite</u>	<u>Crisis Unit</u>	<u>Community Residence</u>	<u>Supportive Living</u>	<u>Other Mental Health</u>	<u>Other Non-DMH</u>
24,285	-	104,538	-	248	1,529	5,677	264	2,181
-	-	18,023	-	2,078	-	3,373	-	-
2,118	4,705	25,521	-	8,003	1,551	4,622	378	2,292
301	668	3,624	-	1,136	220	656	54	325
3,841	8,532	46,280	-	14,512	2,812	8,381	686	4,156
478	1,062	34,118	-	1,807	350	1,080	3,985	518
<u>1,418</u>	<u>3,179</u>	<u>19,507</u>	<u>-</u>	<u>5,504</u>	<u>1,091</u>	<u>3,072</u>	<u>252</u>	<u>226,916</u>
492,719	1,364,151	8,109,729	-	2,240,877	343,672	1,194,040	99,706	1,057,029
<u>64,443</u>	<u>153,664</u>	<u>890,550</u>	<u>25</u>	<u>258,766</u>	<u>37,570</u>	<u>152,381</u>	<u>11,825</u>	<u>82,573</u>
<u>557,162</u>	<u>1,517,815</u>	<u>9,000,279</u>	<u>25</u>	<u>2,499,643</u>	<u>381,242</u>	<u>1,346,421</u>	<u>111,531</u>	<u>1,139,602</u>
<u>\$ (123,878)</u>	<u>\$ (46,432)</u>	<u>\$ (1,510)</u>	<u>\$ 8,582</u>	<u>\$ (186,427)</u>	<u>\$ 80,357</u>	<u>\$ (550,739)</u>	<u>\$ (51,470)</u>	<u>\$ 334,585</u>

THE MENTAL HEALTH CENTER OF GREATER MANCHESTER, INC.

BOARD OF DIRECTORS

2014 - 2015

CHAIR
Jeff Galvin

VICE CHAIR
Alicia Finn, Ph.D.

SECRETARY
Leo Simard

TREASURER
Brian Marquis

Jessica Arvanitis

Glinda Allen

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Michael Harrington

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Thomas Lavoie

Geoffrey Lundy, MD

Chief David Mara

Sheila McNeil

Andrea Pruna

Timothy Soucy

Joni Spring

Shannon Sullivan

Rachel Verville

William T. Rider

Objective To provide effective leadership in community mental healthcare

Experience **The Mental Health Center of Greater Manchester**
401 Cypress St Manchester, NH 03103 (603) 668-4111

- 3/2015 to Present: President, Chief Executive Officer
- 3/2000 to 3/2015: Executive VP, Chief Operating Officer
- 1/1995 to 2/2000: Director, Community Support Program
- 7/1987 to 12/1994: Assistant Director Community Support Program
- 6/1985 to 6/1987: Clinical Case Manager

Carroll County Mental Health

25 West Main St. Conway NH 03818

- 4/78 to 5/85: Clinical Case Manager

New Hampshire Hospital

24 Clinton St

Concord NH 03301

- 10/76 to 4/78: Mental Health Counselor

Education 2001 to 2002 Franklin Pierce College Concord, NH

- 12 Graduate Credits

1972 to 1976 Canisius College Buffalo, NY

- BA Psychology 1976

Community Activity Granite Pathways: Vice Chair, Board of Directors
Postpartum Support International-NH, Founders Board

NAMI of NH Member since 1985

- 1992 NAMI Professional of the Year Award

KEY ADMINISTRATIVE PERSONNEL - FY2016

THE MENTAL HEALTH CENTER OF GREATER MANCHESTER

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	William T. Rider	1.00	\$ 182,580.00	\$ 76,621.78	42%
Chief Financial Officer	Paul J. Michaud	1.00	\$ 129,952.00	\$ 54,535.84	42%
Medical Director	Quentin Turnbull	1.00	\$ 196,112.00	\$ 82,300.64	42%
Chief Operations Officer	Vacant	1.00	\$ 138,408.00	\$ 58,084.50	42%


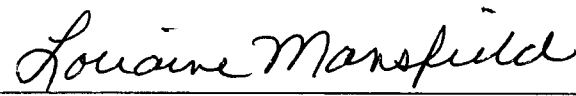
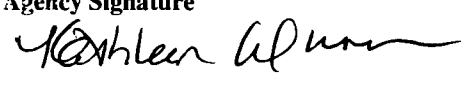
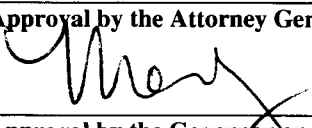
Subject: Mental Health Services and PATH Services.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Seacoast Mental Health Center, Inc.		1.4 Contractor Address 1145 Sagamore Avenue Portsmouth, NH 03801	
1.5 Contractor Phone Number 603-431-6703	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$734,307.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John Pendleton, President BOD	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Rockingham</u> On <u>6/2/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 		LORRAINE MANSFIELD Justice of the Peace - New Hampshire My Commission Expires February 28, 2019	
1.13.2 Name and Title of Notary or Justice of the Peace Lorraine Mansfield, Executive Asst, JP			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Yepko, Attorney On: <u>6/8/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement (“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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 (“Equal Employment Opportunity”), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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: JP
Date: 6/2/15

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: MP
Date: 6/2/15

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.



I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.



- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.

1. **Days of Cash on Hand:**

- a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.
- b. **Formula:** Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period.



The short-term investments as used above must mature within three (3) months and should not include common stock.

- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
b. Formula: Total current assets divided by total current liabilities.
c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
b. Definition: The ratio of Net Income to the year to date debt service.
c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
b. Definition: The ratio of the Contractor's net assets to total assets.
c. Formula: Net assets (total assets less total liabilities) divided by total assets.
d. Source of Data: The Contractor's Monthly Financial Statements.
e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.



- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractors cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A.** In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B.** In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C.** Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1.** All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2.** The Contractor shall continue to provide emergency services to all consumers;
 - 3.** The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4.** The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A.** Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B.** The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C.** In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D.** The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A.** The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B.** In regard to the data required for the Phoenix system:
1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 3. Data shall be current and updated as required for federal reporting; and
 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A.** The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level



clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or



- d. Staff training for collecting new data elements.
 2. Costs associated with developing other BBH-requested data reporting system.
 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs":
 1. Gym Membership;
 2. In SHAPE (includes gym membership);
 3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).



- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.



- B.** The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 2. Policy and standard procedures for:
 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 4. Communicating client information when referring a client to other agency for information and services.
 5. Activities to develop and implement the NH Care Path Model; and
 6. Timelines and staff to perform those activities.
- C.** The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D.** The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E.** The Contractor shall, at a minimum:
1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A.** The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B.** The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C.** The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 2. Promote military culture and competence within the CMHC;
 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;



4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

XXIV. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) SERVICES

- A. Services under the Projects for Assistance in Transition from Homelessness program (PATH) shall be provided in compliance with Public Health Services Act Part C to individuals who are homeless or at imminent risk of being homeless and who are believed to have Severe Mental Illness (SMI), or SMI and a co-occurring substance use



disorder. PATH services will include outreach, screening and diagnostic treatment, staff training and case management. PATH case management services shall include; providing assistance in obtaining and coordinating services for eligible homeless individuals, including providing assistance to the eligible individual in obtaining income support services, including housing assistance, food stamps, and supplementary security income benefits; referring the eligible homeless individual for such other services as may be appropriate including referrals for primary health care.

- B. At the time of outreach, these individuals may be difficult to engage, and may or may not have been officially diagnosed with a mental illness at the time of outreach activities. The potential PATH population typically would not present themselves to a community mental health provider for services. The provision of PATH outreach services may require a lengthy engagement process.
- C. The Contractor shall provide an identified PATH worker(s) to conduct outreach, early intervention, case management, housing and other services to PATH eligible clients.
- D. The PATH worker shall participate in periodic Outreach Worker Training programs scheduled by the Bureau of Homeless and Housing Services.
- E. The Contractor shall comply with all reporting requirements under the PATH Grant.
- F. The PATH worker shall respond with outreach efforts and ongoing engagement efforts with persons who are potentially PATH eligible who may be referred by street outreach workers, shelter staff, police and other concerned individuals. The PATH worker shall be available to team up with other outreach workers, police or other professionals in active outreach efforts to engage difficult to engage or hard to serve individuals. PATH outreach is conducted wherever PATH eligible clients may be found.
- G. As part of the PATH outreach process the PATH worker shall assess for immediacy of needs, and continue to work with the individual to enhance treatment and/or housing readiness. The PATH workers' continued efforts may enhance safety, as well as treatment and, ideally, help the individual locate emergency and/or permanent housing and mental health treatment.

XXV. REFERRAL, EDUCATION, ASSESSMENT, PREVENTION (REAP) PROGRAM AND ENHANCED REAP

- A. The Contractor agrees to provide a statewide community-based education and brief intervention-counseling program specific for persons age sixty (60) and older, their families or other informal caregivers according to the protocols and policies approved by the Department. The priority of the program shall be the prevention or alleviation of substance misuse, i.e. alcohol, medications, or other drugs, and secondarily shall address depression or emotional stress, isolation, interpersonal relationships, grief and loss, and other life changes and issues that can affect an individual's ability to live independently, such as home safety and injury prevention.
- B. **REAP components include:**
 - 1. **Counseling Sessions:** to older adults over the age of sixty (60) and their caregivers, conducted in clients' homes or community settings. Screenings and brief interventions are completed by using evidence-based instruments.



Sessions are free of charge and range from three (3) to five (5) sessions per client.

2. Technical Assistance: offered to area professionals, which includes senior housing managers and service coordinators, for assistance and guidance in dealing with specific elderly issues.
3. Community Intervention/Mediation: conducted when conflict arises at local elder housing complexes, to de-escalate the situation and find the source of the problem and facilitate resolution.
4. Trainings: Annual meeting with all REAP counselors and housing specialist to provided training on evidenced based practices, tools and approaches.

C. **Enhanced REAP**: the program is comprised of the existing REAP substance misuse services as well as additional depression treatment services via an Evidenced Based Practice (EBP) known as Behavioral Activation (BA) and increased symptom monitoring.

1. Eligible participants will be screened for depressive symptoms, and substance misuse (including medication misuse). Based on screening results, participants will be either offered REAP or Enhanced REAP.
2. The Patient Health Questionnaire-9 (PHQ-9) will be used to screen for depression. A reduced score will evidence the reduction of depressive symptoms.
3. Participants who screen below the clinical threshold will be offered traditional REAP and participants who screen above the clinical threshold will be offered Enhanced REAP.
4. Participants who screen positive for substance misuse will receive Motivational Interviewing (MI) and Behavioral Activation (BA). Participants who screen positive for depression or co-occurring substance misuse and depression, Enhanced REAP, BA and MI treatments will be integrated.

D. **Other Requirements**:

1. Administrative oversight for all REAP services and technical assistance shall be Certified Prevention Specialists in accordance with the State of NH Prevention Certification Board and the International Certification and Reciprocity Consortium (<http://nhpreventcert.org>).
2. The Contractor shall conduct evaluations and provide results to the DHHS annually on the effectiveness of REAP services. Evaluations shall include:
 - a. Short Term Outcomes: Increase social connections; Increase activity to maintain health, independence, and mental health; Reduction of harm in mixing medications with other substances;
 - b. Intermediate Outcomes: Increase perception of harm and awareness
 - c. Long-term Outcomes: Reduce thirty (30) day use of alcohol, binge or heavy drinking, and related consequences of substance use (e.g. alcohol use and prescribed medications). Elderly and families/caretakers are



informed of the dangers of substance misuses and opportunities for healthy lifestyles that are possible through REAP.

3. Provide quarterly reports in meeting the Block Grant National Outcomes Data. See Exhibit A-1.
4. Notify DHHS when not in compliance with grant and shall provide a corrective action plan.
5. Collaboration with Public Health Networks, as identified by the Department, in providing education about substance misuse among older adults and the dangers, share data across disciplines, and provide outreach of services.

E. Quality Assurance:

1. A Quarterly Program Service Report shall be submitted by the fifteenth (15th) of the month following the State Fiscal Year quarter reported. The Quarterly Program Service Report is to be completed in accordance with instructions provided by DHHS.
2. Contractor shall obtain client feedback as to the quality of services provided and report the outcome to DHHS in the Quarterly Program Service Report due thirty (30) days after the end of the second (2nd) quarter.

Region 8 FY16 CMHC Exhibit A



The Contractor will comply with the NOMs Data Collection and Reporting Forms requirement by the State's annual Substance Abuse Prevention and Treatment (SAPT) Block Grant application as follows:

I. DEFINITION OF PRIMARY PREVENTION:

Block Grant 20% set aside is for a broad array of Primary Prevention strategies directed at individuals not yet identified to be in need of treatment. Comprehensive primary prevention programs should include activities and services provided in a variety of settings for both the general population and targeted sub-groups who are at higher risk for substance abuse.

Primary Prevention refers to a proactive process that empowers individuals and systems to meet the challenges of life events and transitions by creating and reinforcing conditions that promote healthy behaviors and lifestyles. Primary prevention includes interventions occurring prior to the initial onset of a substance use disorder through reduction or control of causative factors to substance abuse, including the reduction of risk factors contributing to substance use. **Services are delivered through six defined federal strategies to three classifications of population as identified by the Institute of Medicine.**

Incorporating SAMHSA Strategic Initiative(s):

Goal 1.1: With primary prevention as the focus, build prevention prepared communities that use data to inform, build capacity, plan, implement and evaluate outcomes;

Goal 1.2: Prevent and Reduce consequences of underage drinking and adult problem drinking;

Goal 1.3: Prevent suicides and attempted suicides among populations at high-risk populations (military and LBGT);

Goal 1.4: Reduce prescription drug misuse and abuse;

Goal 7: Incorporate the use of data driven results in achieving population outcomes within planning and implementation, and ongoing quality improvements that improve services for individuals, families and communities.

II. NATIONAL PREVENTION PERFORMANCE MEASURES:

Interventions, strategies and populations aligned and measured by the following outcome indicators.

A. Block Grant pre-populated forms:

- 30-day use of alcohol;
- 30-day use of illegal drugs other than marijuana;
- 30-day use of marijuana;
- 30-day use of tobacco products;
- 30-day use of cigarettes;
- Binge Drinking;
- Synthetic Drugs;
- 30-day non-medical use of Rx (not prescribed to individual);
- Perception of Risk/Harm of Use;
- Age of First Use alcohol, cigarettes, marijuana and other illegal drugs;
- Perception of Disapproval/Attitudes alcohol, cigarettes, marijuana and other illegal drugs;
- Employment/Education: Perception of Workplace Policy;
- Employment/Education: ATOD-Related Suspensions and Expulsions (In Development);
- Employment/Education: Average Daily School Attendance Rate;
- Crime and Criminal Justice: Alcohol-Related Traffic Fatalities;
- Crime and Criminal Justice: Alcohol- and Drug-Related Arrests;
- Social Connectedness: Family Communications Around Drug and Alcohol Use;



- Youth Seeing, Reading, Watching, or Listening to a Prevention Message.
- B. Block Grant forms BDAS completes based prevention providers' reports:**
 - Number of Persons Served by Age, Gender, Race, and Ethnicity;
 - Persons Served or Reached by Type of CSAP Intervention;
 - Persons Served or Reached by IOM category;
 - Number of Evidence-Based Programs and Strategies;
 - Relative Cost of Evidence-Based;
 - Percentage of total Block Grant prevention dollars spent per CSAP strategy, IOM and EBI.

III. AGE CATEGORIES:

- 0-4
- 5-11
- 12-14
- 15-17
- 18-20
- 21-24
- 25-44
- 45-64
- 65 and Over
- Age Not Known

IV. HIGH RISK SUB-POPULATION CATEGORIES:

States are asked to report on high-risk sub-populations, as part of primary prevention, recognizing there are limited funds to fully address all the needs. Based on upon data, feasible and fit report on which sub-population is being addressed and by what type of CSAP strategy.

- 1) **Children of substance users;**
- 2) **Pregnant women/teens;**
- 3) **Drop-outs;**
- 4) **Violent and delinquent behaviors;**
- 5) **Mental Health problems;**
- 6) **Economically Disadvantaged;**
- 7) **Physically disabled;**
- 8) **Abused victims;**
- 9) **Already using substances;**
- 10) **Homeless / runaway;**
- 11) **Other:**
 - a) **Suicide Ideation;**
 - b) **LBGT;**
 - c) **Military.**

V. CSAP STRATEGIES:

- 1.) **Information Dissemination** - This strategy provides awareness and knowledge of the nature and extent of substance use, abuse, and addiction and their effects on individuals, families, and communities. It also provides knowledge and awareness of available prevention programs and services. *Information dissemination is characterized by one-way communication from the source to the audience, with limited contact between the two.*
- 2.) **Prevention Education** - This strategy involves two-way communication and is distinguished from the information dissemination strategy by the fact that interaction between the educator/facilitator and the participants is the basis of its activities. Activities under this strategy aim to



- affect critical life and social skills, including decision-making, refusal skills, critical analysis (e.g., of media messages), and systematic judgment abilities.
- 3.) **Alternative Activities** - This strategy provides for the participation of target populations in activities that exclude substance use. The assumption is that constructive and healthy activities offset the attraction to or otherwise meet the needs usually filled by alcohol and drugs and would, therefore, minimize or obviate resort to the latter.
 - 4.) **Problem Identification and Referral** - This strategy aims at identification of those who have indulged in illegal/age-inappropriate use of tobacco or alcohol and those individuals who have indulged in the first use of illicit drugs in order to assess if their behavior can be reversed through education. It should be noted, however, that this strategy does not include any activity designed to determine if a person is in need of treatment.
 - 5.) **Community-Based Process** - This strategy aims to enhance the ability of the community to more effectively provide prevention services for substance related disorders. Activities in this strategy include organizing, planning, enhancing efficiency and effectiveness of services implementation, interagency collaboration, coalition building, and networking.
 - 6.) **Environmental** - This strategy establishes or changes written and unwritten community standards, codes, and attitudes, thereby influencing incidence and prevalence of substance abuse in the general population. This strategy is divided into two subcategories to permit distinction between activities that center on legal and regulatory initiatives and those that relate to the service and action-oriented initiatives.



Sub strategy/Activity:

Information Dissemination:

- Clearinghouse/information resources centers;
- Resource directories;
- Media campaigns;
- Brochures;
- Radio and TV public service announcements;
- Speaking engagements;
- Health fairs and other health promotion, e.g., conferences, meetings, seminars;
- Information lines/Hot lines;
- Other, specify.

Education:

- Parenting and family management;
- Ongoing classroom and/or small group sessions;
- Peer leader/helper programs;
- Education programs for youth groups;
- Mentors;
- Preschool ATOD prevention programs;
- Other, specify.

Alternatives:

- Drug free dances and parties;
- Youth/adult leadership activities;
- Community drop-in centers;
- Community service activities;
- Outward Bound;

- Recreation activities;
- Other, specify.

Problem Identification and Referral:

- Employee Assistance Programs;
- Student Assistance Programs;
- Driving while under the influence/driving while intoxicated education programs;
- Other, specify.

Community-Based Process:

- Community and volunteer training, e.g., neighborhood action training, impactor training, staff/officials training;
- Systematic planning;
- Multi-agency coordination and collaboration/coalition;
- Community team-building;
- Accessing services and funding;
- Other, specify.

Environmental:

- Promoting the establishment or review of alcohol, tobacco, and drug use policies in schools;
- Guidance and technical assistance on monitoring enforcement governing availability and distribution of alcohol, tobacco, and other drugs;
- Modifying alcohol and tobacco advertising practices;
- Product pricing strategies;
- Other, specify.

Other Prevention Activities:

- For any prevention activity not included in the list above.



VI. INSTITUTE OF MEDICINE (IOM) PREVENTION CLASSIFICATIONS:

Universal, Selective, and Indicated:

- 1.) **Universal:** Activities targeted to the general public or a whole population group that has not been identified on the basis of individual risk.
- 2.) **Universal Direct:** Interventions directly serve an identifiable group of participants but who have not been identified on the basis of individual risk (e.g., school curriculum, after school program, parenting class). This also could include interventions involving interpersonal and ongoing/repeated contact (e.g., coalitions).
- 3.) **Universal Indirect:** Interventions support population-based programs and environmental strategies (e.g., establishing ATOD policies, modifying ATOD advertising practices). This also could include interventions involving programs and policies implemented by coalitions.
- 4.) **Selective:** Activities targeted to individuals or a subgroup of the population whose risk of developing a disorder is significantly higher than average.
Indicated: Activities targeted to individuals in high-risk environments, identified as having minimal but detectable signs or symptoms foreshadowing disorder or having biological markers indicating predisposition for disorder but not yet meeting diagnostic levels. (Adapted from The Institute of Medicine Model of Prevention)
- 5.) **Indicated:** Activities targeted to individuals in high-risk environments, identified as having minimal but detectable signs or symptoms foreshadowing a disorder or having biological markers indicating predisposition for a disorder but not yet meeting diagnostic levels.

VII. EVIDENCED BASED INTERVENTION (EBI)

Definition of Evidence-Based Programs and Strategies: The guidance document for the Strategic Prevention Framework State Incentive Grant, Identifying and Selecting Evidence-based Interventions, provides the following definition for evidence-based programs:

1. Inclusion in a Federal List or Registry of evidence-based interventions;
2. Being reported (with positive effects) in a peer-reviewed journal;
3. Documentation of effectiveness based on the following guidelines:
 - Guideline The intervention is based on a theory of change that is documented in a clear logic or conceptual model; and Guideline The intervention is similar in content and structure to interventions that appear in registries and/or the peer-reviewed literature; and
 - Guideline The intervention is supported by documentation that it has been effectively implemented in the past, and multiple times, in a manner attentive to Identifying and Selecting Evidence-Based Interventions scientific standards of evidence and with results that show a consistent pattern of credible and positive effects; and
 - Guideline The intervention is reviewed and deemed appropriate by a panel of informed prevention experts that includes: well-qualified prevention researchers who are experienced in evaluating prevention interventions similar to those under review; local prevention practitioners; and key community leaders as appropriate, e.g., officials from law enforcement and education sectors or elders within indigenous cultures.
4. Provide a description of the process the State uses to implement the guidelines included in the above definition.
5. Provide a description on how the State collects data on the number of programs, strategies and sources of the data.

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.150
Federal Agency: U.S. Department of Health and Human Services
Program Title: Projects for Assistance in Transition from Homelessness (PATH)
PL 101-645
FAIN: SM016030-14

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

CFDA #: 93.043
Federal Agency: US Department of Health and Human Services
Program Title: Title IIID: Preventative Health Money from the Administration for
Community Living
FAIN: 15AANHT3PH

CFDA #: 93.959
Federal Agency: US Department of Health and Human Services, Substance Abuse and
Mental Health Services Administration
Program Title: Substance Abuse Prevention and Treatment (SAPT) Block Grant
FAIN: T1010035-14

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-42-423010-7926-102-500731

- 6. 05-95-49-490510-2985-102-500731
- 7. 05-95-48-481010-8917-102-500731
- 8. 05-95-49-491510-2988-102-500731

- D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
- E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.
- F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:
 - 1. Medicaid enrolled individuals:
 - a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
 - b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
 - 2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.
- G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

- 1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Older Adult Initiatives	238,000
Homeless and Housing Federal Grant	25,000
Div. for Children Youth and Families (DCYF) Consultation	1,770
Emergency Services	188,910
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	56,583
Assertive Community Treatment Team (ACT)	201,244
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$734,307

- 2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.

- a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Department approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
3. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. **Emergency Services:** The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. **Division for Children, Youth, and Families (DCYF) Consultation:** The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. **Military Culture/Awareness Initiative:** The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 8 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other 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 during the Contract Period, said records to 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 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.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** 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.
 - 9.2. **Audit Liabilities:** 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services: Disallowance of Costs:** 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.

13. **Credits:** 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:
 - 13.1. 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.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:
 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:
 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

8.2.7. Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.

8.2.8. Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

8.2.8.1. Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

8.2.8.2. Conduct a financial audit of the Contractor; and/or

8.2.8.3. Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

8. Add the following regarding "Event of Default, Remedies" to Paragraph 8.:

8.3. Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.

9. Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:

9.4. The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.

JP
Date 6/2/15



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
 - 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
 - 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
 - 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
 - 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
 - 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
- 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
- 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
- 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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



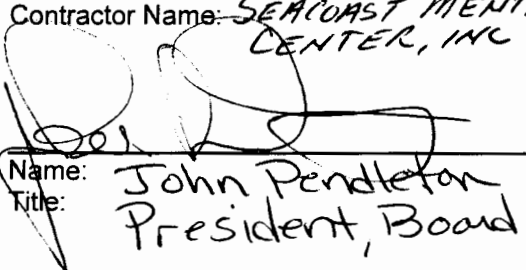
has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 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.

6/2/15
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

Name: John Pendleton
Title: President, Board of Directors



CERTIFICATION REGARDING LOBBYING

The Contractor 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):

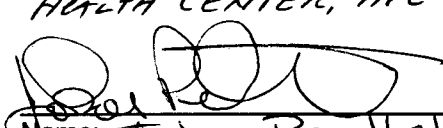
- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title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

6/2/15
Date

Contractor Name: SEACOAST MENTAL MENTAL HEALTH CENTER, INC

Name: John Pendleton
Title: President, Board of Directors



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

The Contractor 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 (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.

6/2/15
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

Name: John Penickton
Title: President, Board of Directors



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

The Contractor 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:

Contractor 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

Contractor Initials

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

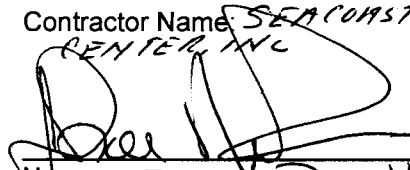


In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for 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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

6/2/15
Date

Contractor Name: SEACREST MENTAL HEALTH CENTER, INC

Name: John Pendleton
Title: President, Board of Directors

Contractor Initials JP
Date 6/2/15



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 Contractor 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 Contractor 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.

Contractor Name: *SEACOAST MENTAL HEALTH CENTER, INC*

6/2/15
Date

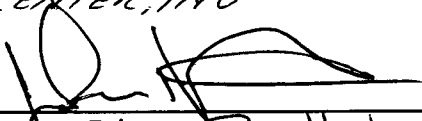

Name: *John Pendleton*
Title: *President, Board of Directors*



Exhibit I

HEALTH INSURANCE PORTABILITY 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

JP
6/2/15



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.

NH Dept of Health & Human Services
The State

Kathleen Aluma
Signature of Authorized Representative

Kathleen A. Dunn
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

6/4/15
Date

SEACOAST MENTAL HEALTH CENTER
INC

Name of the Contractor

[Signature]
Signature of Authorized Representative

John Pendleton
Name of Authorized Representative

President Board of Directors
Title of Authorized Representative

6/2/15
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:

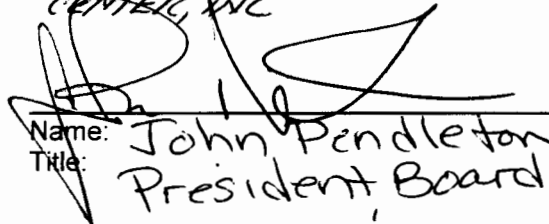
1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
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.

6/2/15
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

Name: John Pendleton
Title: President Board of Directors



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: 188996185
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:

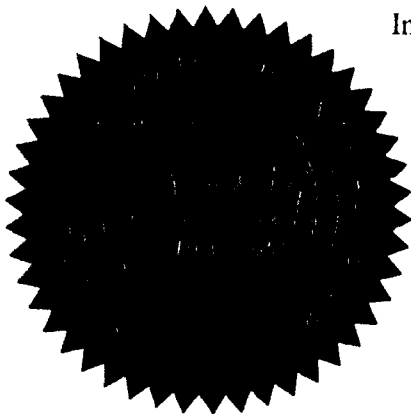
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 SEACOAST MENTAL HEALTH CENTER, INC. is a New Hampshire nonprofit corporation formed January 21, 1963. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in black ink, appearing to read "William M. Gardner", is written over the printed name.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, **Paul Sorli**, do hereby certify that:

1. I am the duly elected Clerk of **Seacoast Mental Health Center, Inc.**
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on **April 21, 2015.**

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:


**To Provide: Mental Health Services, and
Projects for Assistance in Transition from Homelessness (PATH) Services**

RESOLVED: That the **President** hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 2, 2015.

4. John Pendleton is duly elected President of the Corporation.

(Seal)
(Corporation)

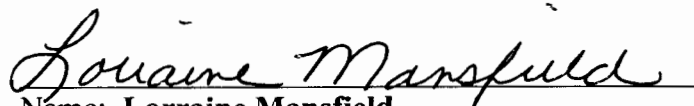

(Signature of Board Secretary)

State of New Hampshire

County of Rockingham

The foregoing instrument was acknowledged before me this 02 day of June, 2015.

by Paul Sorli, Board Secretary.



Name: **Lorraine Mansfield**

Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: February 28, 2019

LORRAINE MANSFIELD
Justice of the Peace - New Hampshire
My Commission Expires February 28, 2019

Seacoast Mental Health Center, Inc.

Mission Statement

SEACOAST MENTAL HEALTH CENTER, INC. is a private, not-for-profit, comprehensive mental health facility serving the eastern half of Rockingham County, New Hampshire. The mission of the Center is to provide a broad, comprehensive array of high quality, effective and accessible mental health services to residents of the Seacoast area. Some of these services seek to promote positive mental well-being and prevent occurrences of mental illness. Some of these services endeavor to address problematic emotional functioning, treating those directly or indirectly affected by mental illness. Other services strive to care for and improve the quality of lives of those with severe or persistent mental illness.

Seacoast Mental Health Center, Inc.

FINANCIAL STATEMENTS

June 30, 2014

Seacoast Mental Health Center, Inc.
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June 30, 2014

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Seacoast Mental Health Center, Inc.
Portsmouth, New Hampshire

We have audited the accompanying financial statements of Seacoast Mental Health Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014, and the related statement of activities and cash flows for the year then ended, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditor's 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 to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seacoast Mental Health Center, Inc. as of June 30, 2014, 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.

To the Board of Directors of
Seacoast Mental Health Center, Inc.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on Pages 10 through 13 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement 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 financial statements as a whole.

Kittell Branagan & Sargent

St. Albans, Vermont
August 19, 2014

Seacoast Mental Health Center, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 726,400
Accounts receivable (net of \$500,000 allowance)	997,217
Prepaid expenses	<u>170,395</u>

TOTAL CURRENT ASSETS 1,894,012

PROPERTY AND EQUIPMENT - NET 32,683

TOTAL ASSETS \$ 1,926,695

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 94,696
Deferred income	20,725
Accrued vacation	133,176
Accrued expenses	<u>148,539</u>

TOTAL CURRENT LIABILITIES 397,136

NET ASSETS

Unrestricted Net Assets 1,529,559

TOTAL LIABILITIES AND NET ASSETS \$ 1,926,695

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

PUBLIC SUPPORT AND REVENUES

Public support -	
Federal	\$ 437,407
State of New Hampshire - BBH	653,517
Other public support	493,448
Total Public Support	<u>1,584,372</u>
Revenues -	
Program service fees	8,448,768
Rental income	79,779
Interest Income	3,365
Other revenue	367,431
Total Revenues	<u>8,899,343</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>10,483,715</u>

OPERATING XPENSES

BBH funded program services -	
Children services	3,055,399
Emergency services	807,904
Vocational services	207,568
Adult services	3,709,715
Act Team	821,540
Fairweather Lodge	660,454
Springbrook	58,583
Drug Court	133,049
REAP	233,696
Non-DMH funded program services	<u>249,911</u>
TOTAL EXPENSES	<u>9,937,819</u>

INCREASE IN NET ASSETS	545,896
NET ASSETS, beginning	<u>983,663</u>
NET ASSETS, ending	<u>\$ 1,529,559</u>

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 545,896
Adjustments to reconcile to net cash provided by operations:	
Depreciation	18,050
(Increase) decrease in:	
Accounts receivable - trade	(220,177)
Prepaid expenses	(91,895)
Increase (decrease) in:	
Accounts payable & accrued liabilities	62,157
Deferred income	<u>(113,568)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>200,463</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	<u>(23,788)</u>
 NET INCREASE IN CASH	 176,675
 CASH AT BEGINNING OF YEAR	 <u>549,725</u>
 CASH AT END OF YEAR	 <u>\$ 726,400</u>

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Seacoast Mental Health Center, Inc. (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Related Organizations

The Center leases property and equipment from Seacoast Mental Health Center Resource Group, Inc. - a related non-profit corporation formed in 1985 for the benefit of Seacoast Mental Health Center, Inc. Seacoast Mental Health Center Resource Group was formed to support the operations of Seacoast Mental Health Center, Inc. by managing and renting property and raising other funds on its behalf.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Assets deemed to have a useful life greater than three years are deemed capital in nature. Estimated useful lives range from 3 to 30 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Center considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Seacoast Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payors experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

During 2014, the Center increased its estimate in the allowance for doubtful accounts to \$500,000 as of June 30, 2014 from \$380,000 as of June 30, 2013. This was a direct result of self-pay patient accounts receivable increasing to \$334,607 as of June 30, 2014 from \$298,043 as of June 30, 2013 and Medicaid accounts receivable increasing to \$767,963 as of June 30, 2014 from \$490,857 as of June 30, 2013.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payor coverage and are self pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payor programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2014 totaled \$8,448,768, of which \$8,088,868 was revenue from third-party payors and \$359,901 was revenue from self-pay clients.

Seacoast Mental Health Center, Inc.
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2014

NOTE 2 CLIENT SERVICE REVENUES FROM THIRD PARTY PAYORS

The Center has agreements with third-party payors that provide payments to the Center at established rates. These payments include:

New Hampshire Medicaid

The Center is reimbursed for services rendered to Medicaid clients on the basis of fixed Fee for Service rates.

Approximately 79% of net client service revenue is from participation in the state-sponsored Medicaid programs for the year ended June 30, 2014. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonable possible that recorded estimates could change materially in the near term.

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE - TRADE

Due from clients	\$ 334,607
Insurance companies	205,599
Medicaid receivable	767,963
Medicare receivable	<u>128,611</u>
	1,436,780
Allowance for doubtful accounts	<u>(500,000)</u>
	<u>936,780</u>

ACCOUNTS RECEIVABLE - OTHER

ACT	5,825
BIP Training Funds	20,047
CTRS Training	5,100
Employee	1,088
Healthy Choices	22,119
Lamprey Healthcare	500
Transport & gym fees	<u>5,758</u>
	<u>60,437</u>

TOTAL ACCOUNTS RECEIVABLE	<u>\$ 997,217</u>
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Seacoast Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment, at cost, consists of the following:

Computer equipment	\$	338,694
Furniture, fixtures and equipment		<u>1,035,012</u>
		1,373,706
Accumulated Depreciation		<u>(1,341,023)</u>
Net Book Value	\$	<u>32,683</u>

NOTE 5 DEFERRED INCOME

Cogswell Trust	\$	10,000
NH Charitable Foundation		<u>10,725</u>
TOTAL	\$	<u>20,725</u>

NOTE 6 LINE OF CREDIT

As of June 30, 2014, the Center had available a line of credit from a bank with an upper limit of \$500,000. At that date, \$-0- had been borrowed against the line of credit. These funds are available with an interest rate of The Wall Street Journal Prime Rate, floating. This line of credit expires on September 12, 2015.

NOTE 7 RELATED PARTY TRANSACTIONS

During the year ended June 30, 2014, the Center collected \$72,000 from Seacoast Mental Health Center Resource Group, Inc. (Resource Group) in management fees for administrative services.

A line of credit is available to the Center from Resource Group with a limit of \$500,000. Interest is charged at prime plus 1%. As of June 30, 2014 \$-0- had been borrowed against the line of credit and the interest rate was 4.25%. During the year ended June 30, 2014 \$-0- was paid to the Resource Group in interest related to this line of credit.

The Center guarantees mortgages totaling \$777,340 for the Resource Group as of June 30, 2014.

Operating Leases

During the year ended June 30, 2014, the Center rented properties and equipment from the Resource Group. Total rent paid for the year for property and equipment was \$369,648 and \$88,007, respectively. The Center is obligated to the Resource Group under cancelable leases to continue to rent these facilities and equipment at an annual rate of approximately \$466,100. The annual rates of rents are revisited on an annual basis.

Seacoast Mental Health Center, Inc.
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2014

NOTE 8 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a tax-sheltered annuity on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2014, contribution of \$44,135 were made by the Center to the plan.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Center has entered into a subscription agreement with a software vendor and is obligated to pay \$5,950 per month through May 31, 2016 in exchange for software subscription services.

NOTE 10 CONCENTRATIONS OF CREDIT RISK

Cash deposits in the Center's accounts at June 30, 2014 consist of the following:

	Book Balance	Bank Balance
Insured by FDIC	\$ 250,000	\$ 250,000
Uninsured/Collateralized*	476,400	635,213
	\$ 726,400	\$ 885,213

The differences between book and bank balances are reconciling items such as deposits in transit and outstanding checks.

* The Center has entered into a sweep agreement which invests all excess cash in a portfolio which contains short-term securities issued or guaranteed by the U.S. Government. Including in cash as of as of June 30, 2014 is \$605,213 invested in treasury bills. These funds are not considered deposits of the bank therefore they are not covered by FDIC insurance.

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2014 is as follows:

Due from clients	23 %
Insurance companies	14
Medicaid	54
Medicare	9
	100 %

Seacoast Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 11 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 19, 2014, which is the date these basic financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2014, have been incorporated into these basic financial statements herein.

SUPPLEMENTARY INFORMATION

Seacoast Mental Health Center, Inc.
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	\$ 298,043	\$ 1,665,189	\$ (1,305,289)	\$ (323,336)	\$ 334,607
BLUE CROSS / BLUE SHIELD	25,182	294,240	(80,514)	(200,494)	38,414
MEDICAID	490,857	8,090,308	(1,451,485)	(6,361,717)	767,963
MEDICARE	112,050	1,055,730	(594,371)	(444,798)	128,611
OTHER INSURANCE	204,838	1,266,819	(491,859)	(812,613)	167,185
ALLOWANCE FOR UNCOLLECTIBLES	<u>(380,000)</u>	<u>-</u>	<u>(120,000)</u>	<u>-</u>	<u>(500,000)</u>
TOTAL	<u>\$ 750,970</u>	<u>\$ 12,372,286</u>	<u>\$ (4,043,518)</u>	<u>\$ (8,142,958)</u>	<u>\$ 936,780</u>

Seacoast Mental Health Center, Inc.
ANALYSIS OF BBH REVENUES AND RECEIVABLES
 For the Year Ended June 30, 2014

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2014	<u>\$ (11,668)</u>	<u>\$ 653,517</u>	<u>\$ (641,849)</u>	<u>\$ -</u>

<u>Date of Receipt</u>	<u>Amount</u>
08/01/13	\$ 104,564
09/03/13	68,065
09/30/13	64,597
10/25/13	65,730
11/14/13	11,124
11/21/13	57,565
12/05/14	4,160
12/26/14	90,156
01/22/14	10,816
01/22/14	57,565
01/28/14	7,763
01/31/14	6,838
03/06/14	68,054
03/19/14	11,099
04/03/14	57,565
04/04/14	17,359
05/06/14	68,678
05/20/14	1,455
06/02/14	78,880
06/10/14	19,465
06/16/14	14,815
06/18/14	11,208
06/25/14	45
06/27/14	2,346
06/30/14	7,891
Less: Federal Monies	<u>(265,954)</u>
	<u>\$ 641,849</u>

Seacoast Mental Health Center, Inc.
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

	<u>Total Agency</u>	<u>Admin.</u>	<u>Total Programs</u>	<u>Children</u>	<u>Emergency Services</u>
Program Service Fees:					
Net Client Fee	\$ 359,900	\$ -	\$ 359,900	\$ 129,143	\$ 5,036
Blue Cross/Blue Shield	213,726	-	213,726	69,917	7,588
Medicaid	6,638,823	-	6,638,823	3,427,532	63,165
Medicare	461,359	-	461,359	2,293	12,975
Other Insurance	774,960	-	774,960	313,838	58,283
Public Support - Other:					
United Way	10,150	-	10,150	-	-
Local/County Government	60,903	-	60,903	-	-
Donations/Contributions	37,812	17,038	20,774	-	1,500
Other Public Support	383,919	2,343	381,576	29,412	161,547
DPHS (DADAPR)	63,000	-	63,000	-	-
DCYF	664	-	664	664	-
Federal Funding:					
Block Grants	5,000	-	5,000	-	-
HUD Grant	14,626	-	14,626	-	-
Other Federal Grants	329,781	-	329,781	24,273	-
PATH	25,000	-	25,000	-	-
BBH					
Community Mental Health	653,517	-	653,517	-	437,789
Rental Income	79,779	6,257	73,522	-	-
Other Revenues	367,431	84,865	282,566	77,580	15,062
Interest Income	3,365	3,365	-	-	-
	<u>10,483,715</u>	<u>113,868</u>	<u>10,369,847</u>	<u>4,074,652</u>	<u>762,945</u>
Administration	<u>-</u>	<u>(113,868)</u>	<u>113,868</u>	<u>46,681</u>	<u>8,741</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>\$ 10,483,715</u>	<u>\$ -</u>	<u>\$ 10,483,715</u>	<u>\$ 4,121,333</u>	<u>\$ 771,686</u>

Vocational Services	Adult Services	Act Team	Fairweather Lodges	Springbrook	Drug Court	REAP	Other Non/BBH
\$ 5,266	\$ 147,487	\$ 47,714	(661)	\$ -	\$ 3,848	\$ -	\$ 22,067
-	120,226	3,139	-	-	-	-	12,856
169,117	2,011,783	581,420	320,520	-	-	-	65,286
-	407,091	32,866	-	-	-	-	6,134
(450)	327,135	782	-	-	-	-	75,372
-	10,150	-	-	-	-	-	-
-	60,903	-	-	-	-	-	-
-	1,100	-	-	-	-	-	18,174
743	98,809	2,463	2,169	21	10,378	58,132	17,902
-	-	-	-	-	-	63,000	-
-	-	-	-	-	-	-	-
-	5,000	-	-	-	-	-	-
-	-	-	-	14,626	-	-	-
6,818	178,424	605	-	-	84,661	35,000	-
-	25,000	-	-	-	-	-	-
-	-	75,728	-	-	-	140,000	-
-	-	-	60,817	12,705	-	-	-
20	150,286	1,137	3,263	20,037	12	4	15,165
-	-	-	-	-	-	-	-
181,514	3,543,394	745,854	386,108	47,389	98,899	296,136	232,956
2,079	40,595	8,545	4,423	543	-	-	2,261
<u>\$ 183,593</u>	<u>\$ 3,583,989</u>	<u>\$ 754,399</u>	<u>\$ 390,531</u>	<u>\$ 47,932</u>	<u>\$ 98,899</u>	<u>\$ 296,136</u>	<u>\$ 235,217</u>

Seacoast Mental Health Center, Inc.
STATEMENT OF PROGRAM SERVICE EXPENSES
For the Year Ended June 30, 2014

	Total Agency	Admin.	Total Programs	Children	Emergency Services
Personnel Costs:					
Salary and wages	\$ 6,743,465	628,701	\$ 6,114,764	\$ 1,887,274	\$ 578,576
Employee benefits	776,719	89,639	687,080	234,012	30,146
Payroll Taxes	496,832	44,495	452,337	138,409	42,304
Professional Fees:					
Accounting/audit fees	27,835	23,382	4,453	1,544	264
Legal fees	13,640	13,640	-	-	-
Other professional fees	306,408	25,527	280,881	41,487	6,581
Staff Devel. & Training:					
Journals & publications	1,563	326	1,237	15	85
Conferences & conventions	19,690	5,385	14,305	4,672	508
Other staff development	5,395	157	5,238	3,830	477
Occupancy costs:					
Rent	369,997	30,177	339,820	105,786	17,177
Other Utilities	130,399	9,950	120,449	35,053	5,726
Maintenance & repairs	112,200	7,520	104,680	26,298	4,286
Taxes	7,990	-	7,990	-	-
Consumable Supplies:					
Office	14,568	993	13,575	4,524	716
Building/household	21,969	1,964	20,005	4,886	809
Food	46,003	1,147	44,856	5,341	816
Medical	10,036	342	9,694	1,425	239
Other	64,496	4,305	60,191	17,621	3,009
Depreciation	18,050	1,365	16,685	5,549	946
Equipment rental	59,663	4,486	55,177	18,253	3,112
Equipment maintenance	1,236	-	1,236	498	-
Advertising	6,529	335	6,194	1,570	1,122
Printing	15,659	837	14,822	4,175	585
Telephone/communications	143,983	10,695	133,288	38,202	19,167
Postage/shipping	16,031	1,252	14,779	5,125	875
Transportation:					
Staff	289,142	14,512	274,630	121,370	7,089
Clients	16,738	-	16,738	2,878	207
Assist to Individuals:					
Client services	7,978	-	7,978	1,168	-
Insurance:					
Malpractice/bonding	46,853	-	46,853	12,129	1,265
Vehicles	3,245	-	3,245	487	-
Comp. Property/liability	87,005	6,519	80,486	26,684	4,557
Membership Dues	52,622	20,959	31,663	10,189	(23)
Other Expenditures	3,880	650	3,230	2,671	-
Interest Expense	-	-	-	-	-
	<u>9,937,819</u>	<u>949,260</u>	<u>8,988,559</u>	<u>2,763,125</u>	<u>730,621</u>
Admin. Allocation	-	(949,260)	949,260	292,274	77,283
TOTAL PROGRAM EXPENSES	<u>\$ 9,937,819</u>	<u>\$ -</u>	<u>\$ 9,937,819</u>	<u>\$ 3,055,399</u>	<u>\$ 807,904</u>

	Vocational Services	Adult Services	Act Team	Fairweather Lodges	Springbrook	Drug Court	REAP	Other Non/BBH
\$	119,994	\$ 2,341,887	\$ 517,987	\$ 372,509	\$ 4,334	\$ 89,491	\$ 31,749	\$ 170,963
	21,921	270,714	65,509	54,925	180	2,914	736	6,023
	8,906	173,280	38,204	28,284	335	7,030	2,576	13,009
	107	1,659	397	326	3	61	21	71
	-	-	-	-	-	-	-	-
	4,384	50,875	9,927	7,941	83	1,485	156,032	2,086
	-	-	-	296	-	-	-	841
	-	3,310	-	-	-	-	300	5,515
	28	677	102	84	1	16	5	18
	6,517	146,374	14,671	40,473	134	2,673	1,537	4,478
	2,182	48,040	5,111	14,396	7,019	917	509	1,496
	1,627	36,481	3,679	12,833	17,306	669	383	1,118
	-	-	-	-	7,990	-	-	-
	279	4,436	971	1,338	8	302	534	467
	329	5,448	1,476	5,286	10	187	555	1,019
	440	5,863	1,163	23,487	10	179	1,909	5,648
	97	1,514	360	314	3	55	19	5,668
	2,158	19,061	4,525	3,715	39	694	8,553	816
	384	6,034	1,398	1,132	694	215	77	256
	1,263	19,807	4,612	6,286	39	710	252	843
	-	498	-	240	-	-	-	-
	95	2,539	352	289	3	54	19	151
	238	3,850	965	722	8	135	3,023	1,121
	2,648	51,028	15,369	4,088	42	844	486	1,414
	356	5,505	1,316	1,081	11	202	71	237
	11,920	77,884	39,320	3,861	10	9,319	1,456	2,401
	-	8,137	-	5,516	-	-	-	-
	-	215	3,053	43	2,374	1,125	-	-
	-	28,189	5,270	-	-	-	-	-
	-	441	370	1,947	-	-	-	-
	1,853	28,662	6,852	5,626	3,598	1,052	367	1,235
	(13)	11,977	(6)	144	8,745	(7)	172	485
	-	465	-	94	-	-	-	-
	-	-	-	-	-	-	-	-
	187,713	3,354,850	742,953	597,276	52,979	120,322	211,341	227,379
	19,855	354,865	78,587	63,178	5,604	12,727	22,355	22,532
\$	207,568	\$ 3,709,715	\$ 821,540	\$ 660,454	\$ 58,583	\$ 133,049	\$ 233,696	\$ 249,911

Seacoast Mental Health Center, Inc.

Board of Directors

April 13, 2015

PRESIDENT
John Pendleton

Timothy Black

Lillian Kirkland Kann

VICE PRESIDENT
Carole Bunting

Susan Craig

Monica Kieser

Ed Miller

TREASURER
Jason Coleman

Kathleen Dwyer

Ned Reynolds

Kimberly Hyer

Nike Speltz

SECRETARY
Paul Sorli

Lindsay Josephs

Robert Stomierosky

Geraldine A. Couture

Professional Experience

Seacoast Mental Health Center, Inc., Portsmouth, NH
Executive Director, April 2002

Seacoast Mental Health Center, Inc., Portsmouth, NH
Associate Director, March 1993 – April 2002
Interim Director of Child Adolescent and Family Services, November 2000 –
Compliance Officer

Oversee fiscal and administrative functions of large community mental health center.
Coordinate development and monitoring of annual budget and state contract.
Facilitate ongoing development of team model Child, Adolescent and Family Services Department including direct supervision of management staff, regional planning and inter-agency collaboration.
Chair: Compliance Committee.
Member: Personnel, Staff Growth and Development and Quality Improvement Committees

Strafford Guidance Center, Inc., Dover, NH
Business Manager, December 1991 - March 1993

Assistant Business Manager, January 1991 - December 1991
Accounts Receivable Manager, August 1987 - January 1991
Actively oversee daily operations of Accounts Receivable Department in a community mental health center.
Participate in development and monitoring of annual budget and contract with the New Hampshire Division of Mental Health.

Rochester Site Office Manger, December 1986 - August 1987
Responsible for all daily operations of satellite office.

Administrative Assistant, June 1986 - December 1986
Provided administrative support services to the Director of the Community Support Program.

Fradco Holdings, Inc., Greensburg, PA
President, June 1984 - April 1986

Administered all functions of company dealing in coal, timber and natural gas holdings.

Educational Experience

University of New Hampshire, Durham, NH
Master of Health Administration, May 2001.

University of New Hampshire, Durham, NH
Bachelor of Science, College of Life Sciences and Agriculture, Family and Consumer Studies, May 1984

Honors and Awards

Federal Traineeship in Health Management and Policy, Academic Year 2000-2001

Membership

National Association of Reimbursement Officers, Past President

KEY ADMINISTRATIVE PERSONNEL - FY2016

SEACOAST MENTAL HEALTH CENTER

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Geraldine Couture	1.00	\$ 136,578.00	\$ 58,735.99	43%
Chief Financial Officer	Linda Every	1.00	\$ 81,541.00	\$ 35,067.08	43%
Medical Director	Wassfy Hanna	0.60	\$ 94,999.00	\$ 40,854.75	43%
Chief Operations Officer	Vacant	1.00	\$ -	\$ -	#DIV/0!


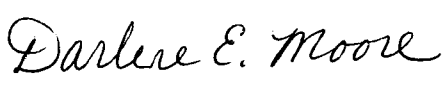
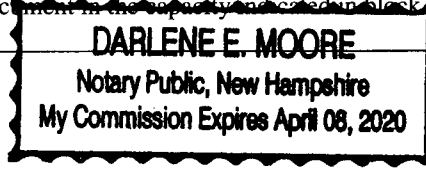
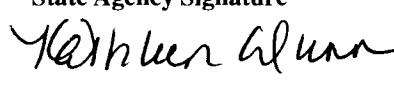
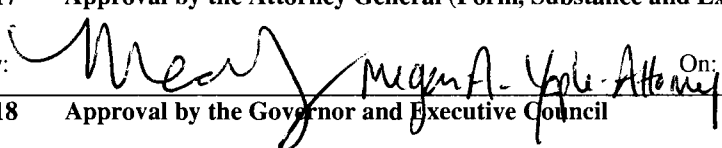
Subject: Mental Health Services

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community Partners of Strafford County		1.4 Contractor Address 113 Crosby Road, Suite 1 Dover, NH 03820	
1.5 Contractor Phone Number 603-742-0630	1.6 Account Number see Exhibit B	1.7 Completion Date June 30, 2016	1.8 Price Limitation \$324,696.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Matthew J. Sylvia, Treasurer	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Strafford</u> On <u>6/2/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace Darlene E. Moore, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Attorney On: <u>6/9/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

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I. SERVICES

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.

II. QUALITY IMPROVEMENT

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
 - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
 - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
 - a. Employed to develop an individualized, person-centered treatment plan;
 - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
 - c. Submitted to the online web site designed for the State that will create client-level, regional, and statewide outcome reports.
 - 3. Documentation of re-assessment using the New Hampshire version of the CANS or ANSA shall be conducted at least quarterly (1/4ly).
 - 4. The obligation of the Contractor to utilize the NH version of the CANS and ANSA shall commence, in accordance with the implementation schedule developed by DHHS, upon the issuance by DHHS of the formal Acceptance Letter to the vendor. Said Acceptance Letter shall be issued only upon a successful pilot and assurance that implementation can be done electronically. A copy of the Acceptance Letter shall be sent to the Contractor at the time of issuance.

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- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2016 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to complete an accurate survey of consumer satisfaction;
 2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
 3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage consumers to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

III. SUBSTANCE USE SCREENING

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2016 shall be 85% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review.

IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to either return to services in the community or offer services at the local Contractor.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that (NHH), and/or the Contractor has indicated will have difficulty returning back into the community, identify barriers to discharge, and develop an appropriate plan to transition back into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving (NHH) who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).



V. COORDINATION WITH PRIMARY CARE PROVIDER

- A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.
- B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. TRANSITION OF CARE

- A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.
- B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. APPLICATION FOR OTHER SERVICES

The Contractor will provide assistance to consumers eligible in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. MAINTENANCE OF FISCAL INTEGRITY

- A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) days after each month end.
 - 1. **Days of Cash on Hand:**
 - a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.

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- b. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
- c. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) business days with no variance allowed.

2. **Current Ratio:**

- a. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- b. Formula: Total current assets divided by total current liabilities.
- c. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3. **Debt Service Coverage Ratio:**

- a. Rationale: This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
- b. Definition: The ratio of Net Income to the year to date debt service.
- c. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- d. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- e. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed, commencing October 1, 2015.

4. **Net Assets to Total Assets:**

- a. Rationale: This ratio is an indication of the Contractor's ability to cover their liabilities.
- b. Definition: The ratio of the Contractor's net assets to total assets.
- c. Formula: Net assets (total assets less total liabilities) divided by total assets.
- d. Source of Data: The Contractor's Monthly Financial Statements.
- e. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

B. In the event that the Contractor does not meet either:

- 1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months,

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor is unable to meet the standards. In addition, DHHS may require the Contractor to submit a corrective action plan with periodic updates on a schedule that is mutually agreeable to the parties.

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- C. The Contractor shall inform the Administrator of the Department's, Bureau of Behavioral Health, by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within ten (10) days of the contract effective date.
 - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
 - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) days after the end of each quarter. A quarter is defined as July to September, October to December, January to March, and April to June.

X. REPORTING REQUIREMENTS

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
 - 1. For BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
 - 2. For Non-BBH Eligible Clients: For clients with insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BBH eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. A Department approved template will be provided. The first report will be for the quarter ending September 30 and shall be due within thirty (30) days after the respective quarter end. Quarter is defined as July to September, October to December, January to March, and April to June.



XI. REDUCTION OR SUSPENSION OF FUNDING

- A. In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B. In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C. Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
 - 1. All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
 - 2. The Contractor shall continue to provide emergency services to all consumers;
 - 3. The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
 - 4. The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR

- A. Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B. The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C. In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D. The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.



XIII. DATA REPORTING

- A. The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B. In regard to the data required for the Phoenix system:
 - 1. Monthly data shall be in the .csv format and shall be submitted on the fifteenth (15th) of each month unless otherwise agreed to by DHHS;
 - 2. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) days;
 - 3. Data shall be current and updated as required for federal reporting; and
 - 4. For the purpose of data submitted for the Phoenix data system, the Contractor agrees for the following fields that the error rate (invalid codes, unknowns, nulls) shall not exceed 20% of the total records. An error rate in excess of 20% shall not constitute an event of default. In the event of an error rate of greater than 20%, the Contractor shall submit a correction plan to show how improvements will be made to the fields listed below:
 - a. Race;
 - b. Ethnicity;
 - c. Employment status;
 - d. Living status;
 - e. Criminal justice data; and
 - f. School attendance data.

XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

XV. EMERGENCY SERVICES

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)

- A. The Contractor shall maintain ACT teams that are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, ACT teams shall deliver comprehensive, individualized, and flexible services, supports, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level

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clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for ACT teams serve no more than ten (10) to twelve (12) individuals per ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

- B. The Contractor shall report their level of compliance with the above listed requirements on a monthly basis using a DHHS approved template. The template shall be included with the invoices submitted for payment of ACT Team funds as defined in Exhibit B.

XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)

- A. The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.
- B. The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.1 percent by June 30, 2016. The penetration rate is determined by dividing the number of adults with severely mentally ill (SMI) receiving EBSE by the number of adults who are SMI being served by the Contractor.
- C. The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2015.

XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glencliff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH and Glencliff that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)

- A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.
- B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.
- C. Activities that may be funded:
 - 1. Costs Associated with Phoenix Database:
 - a. Contractors performing rewrites to database and/or submittal routines;
 - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
 - c. Software and/or training purchased to improve Phoenix data collection; or

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Exhibit A - Scope of Work



- d. Staff training for collecting new data elements.
 2. Costs associated with developing other BBH-requested data reporting system.
 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.
- D. Other conditions for payment:
1. Progress Reports from the Contractor shall:
 - a. Outline activities related to Phoenix database;
 - b. Include any costs for software, scheduled staff trainings; and
 - c. Include progress to meet anticipated deadlines as specified.
 2. Payments:
 - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
 - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
 - c. Contractor may request other payment schedule based on documented need.

XXI. MEDICAID INCENTIVES FOR PREVENTION OF CHRONIC DISEASE (MIPCD)

- A. The requirement of this section shall apply through December 31, 2015 subject to availability of funds. The obligation to provide these services beyond that date is subject to availability of funding. The Contractor shall provide this service to the number of clients they had enrolled in the program as of June, 30, 2015.
- B. The Contractor is a project site in a five (5) year grant awarded to the NH Department of Health and Human Services by the Centers for Medicare and Medicaid Services (CMS) to evaluate the NH Medicaid Wellness Incentive Program (MIPCD) "*Healthy Choices, Healthy Changes*" (HCHC) and "*Breathe Well, Live Well*" (BWLW).
- C. *Healthy Choices, Healthy Changes* is a demonstration to measure health outcomes associated with beneficiary incentives in the form of health and fitness club memberships, weight watcher memberships and fitness coaching accompanied by randomization into a cash rewards incentive for participation. *Breathe Well, Live Well* is a demonstration on the outcomes associated with tobacco education and tobacco cessation, including a cash rewards incentive. Both programs are targeted to Medicaid recipients eligible to receive community mental services.
- D. MIPCD shall build upon and benefit from the existing infrastructure of the In SHAPE health promotion program established in 2004 for people with SMI at risk of cardiovascular disease. MIPCD shall offer four (4) "Supported Weight Management" programs:
 1. Gym Membership;
 2. In SHAPE (includes gym membership);
 3. Weight Watchers; and
 4. In SHAPE and Weight Watchers.
- E. MIPCD shall offer a program for regular smokers who agree to learn more about the dangers of smoking (the Electronic Decision Support System: EDSS).

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- F. MIPCD shall offer three (3) "Supported Smoking Cessation" programs:
 - 1. Prescriber Referral and Telephone Cognitive Behavior Therapy;
 - 2. Prescriber Referral and Facilitated Use of Quit line; and
 - 3. Prescriber Referral alone.

- G. The Contractor will work with the Incentives Counselors (ICs), employed by Dartmouth, to:
 - 1. Promote access to the MIPCD program;
 - 2. Help participants make decisions about health behavior changes; and
 - 3. Encourage the use of incentives.

- H. The Contractor shall maintain an In SHAPE program, necessary for offering HCHC. This includes:
 - 1. Negotiating partnerships with community fitness facilities (gyms and other facilities that promote fitness and health);
 - 2. Employment of Health Mentors: certified fitness trainers who provide the In SHAPE program; and
 - 3. Participating in the hiring process of an Incentives Counselor, who shall be employed by the Dartmouth Center for Aging Research, but shall administer the MIPCD program at the Contractor's location.

- I. The Contractor shall provide space in the offices of the Contractor that the Incentives Counselor may use to conduct work, including a place to store a locked cash box.

- J. The Contractor shall devise and implement a plan to provide transportation assistance to MIPCD participants, as specified and funded in the grant.

- K. The Contractor shall also identify a project site MIPCD Leader who will work with members of the MIPCD implementation and evaluation teams at DHHS and Dartmouth to ensure that the project is progressing, as required by the grant.

- L. The Contractor shall partner with MIPCD project members at DHHS and the Dartmouth Center for Aging Research to serve:
 - 1. Contractor's clients eligible for Medicaid in the weight management programs statewide; and
 - 2. Contractor's clients eligible for Medicaid in the smoking education and cessation programs statewide.

- M. The Contractor shall provide the information needed for required reporting to CMS, as requested by MIPCD project members at DHHS and the Dartmouth Center for Aging Research.

XXII. NEW HAMPSHIRE CARE PATH MODEL

- A. The Contractor shall participate as an agency under the NH Care Path model by operating as an eligibility and referral partner for individuals who may inquire or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options wherever they enter the system.

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Exhibit A - Scope of Work**



- B. The Contractor shall submit a work plan for Department approval within ten (10) days from the effective date of the contract. The Contractor, at a minimum shall include in their work plan:
 - 1. The identification of the lead staff person who shall be responsible for the development, implementation and operationalization of the NH Care Path model;
 - 2. Policy and standard procedures for:
 - 3. Communicating NH Care Path information internally with staff and with other agencies within their community; and
 - 4. Communicating client information when referring a client to other agency for information and services.
 - 5. Activities to develop and implement the NH Care Path Model; and
 - 6. Timelines and staff to perform those activities.
- C. The Contractor shall have staff attend training, state and regional meetings as directed by the Department.
- D. The Contractor shall operate the NH Care Path model in accordance with the Department's policies and procedures and as directed by the Department.
- E. The Contractor shall, at a minimum:
 - 1. Conduct case management functions involving assessment, referral and linkage to needed LTSS;
 - 2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
 - 3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments, and eligibility determinations;
 - 4. Fulfill DHHS specified NH Care Path partner relationship expectations; and
 - 5. Participate in NH Care Path outreach, education and awareness activities.

XXIII. MILITARY SUPPORTS

- A. The Contractor shall designate a military liaison who will participate in a 2-hour conference call each month with the statewide CMHC military liaison, as well as with the other nine (9) CMHC military liaisons from across the State. The purpose of these calls is to share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.
- B. The Contractor's military liaison shall participate in three (3) trainings on military culture and military competency, as identified by the Contractor and approved by the Department.
- C. The Contractor's military liaison shall serve as the contact person both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's military liaison shall provide at least one of the following each month:
 - 1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
 - 2. Promote military culture and competence within the CMHC;
 - 3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;

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4. Evaluate agency-wide level of military cultural competence, evidence based practice in treating combat trauma, and willingness to treat this population. This would also include identifying trends, gaps and barriers to treating this population;
 5. Become familiar with the Veterans Health Administration (VA), Vet Center, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
 6. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center and other community resources; and
 7. Other duties as identified by the Contractor and approved by the Department.
- D. The Contractor's military liaison shall provide up to ten (10) hours per month on the activities defined in Sections A, B and C above.
- E. The Contractor shall have staff trained in military culture and military competencies. The Contractor's staff shall be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region. The Contractor shall participate in trainings, as identified by the Contractor and approved by the Department, but not limited to:
1. Participate in webinars provided by the Red Sox Foundation and Massachusetts General Hospital's Home Base Program and the National Center on PTSD, Department of Veterans Affairs and Center for Deployment Psychology, and attend classroom trainings provided by Dare Mighty Things, as well as other training entities identified by the Contractor and/or Department.
 2. Attend trainings on the following topics that may include, but are not limited to:
 - a. Understanding military culture and the varying deployment cycles;
 - b. Stigma reduction;
 - c. Identification, prevention, and treatment of suicidal behavior for service members, veterans and their families;
 - d. The impact of deployment and combat stress on families and children;
 - e. Keeping military families emotionally strong: couples therapy for PTSD;
 - f. Supporting resilience in military connected children;
 - g. Understanding veterans of all ages and how to better serve them; and
 - h. Other military culture trainings, as directed by the Department
- F. The Contractor shall provide a work plan within thirty (30) days from the effective date of the contract for Department's approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities.
- G. The Contractor shall obtain pre-approval from the Bureau of Community Based Military Programs, and by the Balancing Incentive Program staff for all activities and expenses.

Region 9 FY16 CMHC Exhibit A

EXHIBIT B
METHODS OF PAYMENT
FY 2016

A. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

B. Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
FAIN #: 1B1CMS330880

CFDA #: 93.243
Federal Agency: U.S. Department of Health and Human Services
Program Title: Behavioral Health Services Information System (BHSIS)
FAIN: N/A

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

C. The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-42-421010-2958-550-500398
3. 05-95-92-920010-2087-102-500731
4. 05-95-92-920010-7851-102-500731
5. 05-95-49-490510-2985-102-500731

D. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

E. DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

F. Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.

- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
 - 2. Other insurance/payors:
 - a. The vendor shall directly bill the other insurance or payors.
- G. For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

- H. Other Contract Programs:
1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Div. for Children Youth and Families (DCYF) Consultation	1,770
Emergency Services	42,299
Medicaid Incentive for the Prevention of Chronic Disease (MIPCD)	56,583
Assertive Community Treatment Team (ACT)	201,244
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,800
Total	\$324,696

2. Payment for each contracted service in the above table shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
 - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
 - b. The Contractor shall provide invoices on Department supplied forms.
 - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
 - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
 - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
3. The Contractor shall submit an invoice for each program above by the tenth (10th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Manager
Bureau of Behavioral Health
Department of Health and Human Services
105 Pleasant Street, Main Building
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.

Region 9 FY16 CMHC Exhibit B



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** 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.
2. **Time and Manner of Determination:** 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.
3. **Documentation:** 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.
4. **Fair Hearings:** 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.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
 - 8.1. Fiscal Records: books, records, documents and other 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 during the Contract Period, said records to 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 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.
 - 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, 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.
 - 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
 - 9.1. Audit and Review: 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.
 - 9.2. Audit Liabilities: 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.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** 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.
13. **Credits:** 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:
 - 13.1. 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.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** 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 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.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2. In the event of early termination, the Contractor shall, within 30 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
 - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by DHHS as a



result of the Contractor's breach of its' obligations hereunder.

- 10.8.** The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
- 3.** Add the following regarding "Contractor Name" to Paragraph 1.:

 - 1.3.1.** The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
- 4.** Add the following regarding "Personnel" to Paragraph 7.:

 - 7.4.** Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
 - 7.5.** No officer, director or employee of the Contractor shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.

 - 7.5.1.** Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
 - 7.5.2.** Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
 - 7.5.3.** All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
- 6.** Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:

 - 8.1.** Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

 - 8.1.1.** Failure to perform the services satisfactorily or on schedule during the Agreement term;
 - 8.1.2.** Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;



- 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
 - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
 - 8.1.5. Failure to comply with any applicable rules of the Department;
 - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
 - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
 - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
 - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
 - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
 - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
 - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
 - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A, IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A., 2.) for two (2) consecutive months during the contract period;
 - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
 - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
 - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model by January 1, 2015, in accordance with Exhibit A., XVII., D.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:
- 8.2.5. Reduce or eliminate certain funded services and withhold any funds related to the provision of those services.
 - 8.2.6. Require the Contractor to pay to the State, as liquidated damages, the sum of \$250 in the event that the Contractor has not made available a face-to-face appointment for a consumer leaving New Hampshire Hospital who desires to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's



discharge or within seven (7) calendar days of the consumer's discharge, whichever is later. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to make available an appointment after discharge. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate. The State may forward the sum of \$250 to the consumer for whom the Contractor failed to make an appointment available.

- 8.2.7.** Require the Contractor to pay to the State, as liquidated damages, the sum of \$100 per day for each day after January 1, 2015 that the Contractor fails to provide Evidence-Based Supported Employment in fidelity to the Dartmouth model. The parties agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by the Contractor's failure to meet the standard. The parties agree that this liquidated damages provision represents reasonable compensation for the loss incurred by this breach. The Contractor also agrees that nothing in this section is intended to limit the right of the State to obtain injunctive and other relief as may be appropriate.
- 8.2.8.** Give the Contractor written notice of default in the event that the Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A Section IX Maintenance of Fiscal Integrity. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:
 - 8.2.8.1.** Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;
 - 8.2.8.2.** Conduct a financial audit of the Contractor; and/or
 - 8.2.8.3.** Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.
- 8.** Add the following regarding "Event of Default, Remedies" to Paragraph 8.:
 - 8.3.** Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.
- 9.** Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:
 - 9.4.** The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.



- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.2.** The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.3.** On or before November 1, 2015, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3 of this Exhibit to DHHS in PDF format for fiscal year 2015, including the funds received under the fiscal year 2015 Agreement.
- 9.5.2.** The Contractor shall submit Phoenix data and other data mutually agreed upon in the .csv format on the fifteenth (15th) of each month unless otherwise agreed to by DHHS.
- 9.5.3.** For required federal reports, the Contractor shall:
- 9.5.3.1.** Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2.** Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30th of each fiscal year; and
- 9.5.3.3.** Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4.** The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Division of Community Based Care Services policy.
- 11.** Amend Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" by adding the following:
ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.



- 12.1. The Contractor shall not enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contractor assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
 - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
 - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
 - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Bureau Administrator of DHHS of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.



13. Replace Paragraph 14.1.1. with the following:
- 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
- 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
 - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
 - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
- 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
 - 22.1.1. To provide inpatient services;
 - 22.1.2. To make cash payments to intended recipients of health services;
 - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
 - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
 - 22.1.5. To provide services to persons at local jails or any correctional facility.
 - 22.2. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.
 - 22.3. The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
 - 22.4. Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.



- 22.5.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.5.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
 - 22.5.2.** The consideration, if any, to be paid;
 - 22.5.3.** The use to which the transferred property is to be put by the transferee;
 - 22.5.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
 - 22.5.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.6.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.7.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.8.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.9.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.10.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.11.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor 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.

6/2/15
Date

Contractor Name: Behavioral Health & Developmental Services
of Strafford County, Inc.
DBA Community Partners of Strafford County
[Signature]
Name: Matthew J. Sylvia
Title: Treasurer



CERTIFICATION REGARDING LOBBYING

The Contractor 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.

Contractor Name: Behavioral Health Developmental Services of
Strafford County Inc.
DBA Community Partners of Strafford County


Name: Matthew J. Sylvia
Title: Treasurer

6/2/15
Date



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

The Contractor 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 (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.

6/2/15
Date

Contractor Name: *Behavioral Health + Developmental Services of Strafford County Inc.*
DBA Community Partners of Strafford County
Matthew J. Sylvia
Name: *Matthew J. Sylvia*
Title: *Treasurer*



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

The Contractor 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:

Contractor 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

Contractor Initials MJS

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 Contractor 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 Contractor agrees to comply with the provisions indicated above.

6/2/15
Date

Contractor Name: Behavioral Health + Developmental Services
of Strafford County Inc.
DBA Community Partners of Strafford County
Matthew J. Sylvia
Name: Matthew J. Sylvia
Title: Treasurer

Exhibit G

Contractor Initials MJS

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 Contractor 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 Contractor 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.

Contractor Name: *Behavioral Health + Developmental Services
of Strafford County, Inc.
DBA Community Partners of Strafford County*

M. J. Sylvia

Name: *Matthew Sylvia*
Title: *Treasurer*

6/2/15

Date



Exhibit I

HEALTH INSURANCE PORTABILITY 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 (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.

<p><u>NH Dept of Health & Human Svcs</u> The State</p> <p><u>Kathleen A. Dunn</u> Signature of Authorized Representative</p> <p><u>Kathleen A. Dunn</u> Name of Authorized Representative</p> <p><u>Associate Commissioner</u> Title of Authorized Representative</p> <p><u>6/4/15</u> Date</p>	<p><u>Behavioral Health + Developmental Services of Strafford County</u> <u>DBA Community Partners of Strafford County</u> Inc.</p> <p>Name of the Contractor</p> <p><u>Matthew J. Sylvia</u> Signature of Authorized Representative</p> <p><u>Matthew J. Sylvia</u> Name of Authorized Representative</p> <p><u>Treasurer - Board of Directors</u> Title of Authorized Representative</p> <p><u>6/2/15</u> Date</p>
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**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: Behavioral Health + Developmental Services
of Strafford County Inc.
DBA Community Partners of Strafford County
Matthew J. Sylvia
Name: Matthew J. Sylvia
Title: Treasurer

6/2/15
Date



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: 149406691
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:

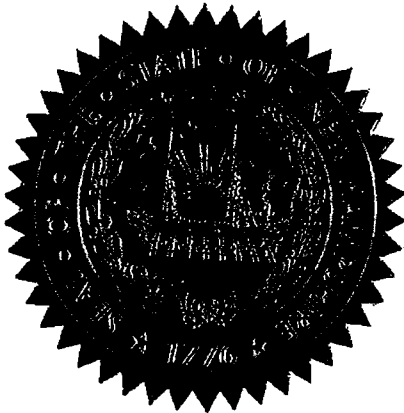
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. is a New Hampshire nonprofit corporation filed September 24, 1982. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

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 COMMUNITY PARTNERS OF STRAFFORD COUNTY is a New Hampshire trade name registered on October 27, 2003 and that BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 16th day of April, A.D. 2015

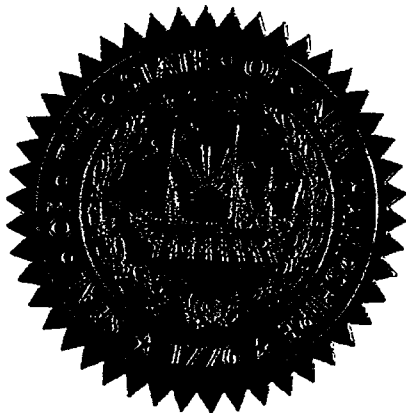
A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

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 COMMUNITY PARTNERS OF STRAFFORD COUNTY is a New Hampshire nonprofit corporation filed October 27, 2003. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



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 April, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Ann Landry, do hereby certify that:

1. I am the duly elected Clerk of Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community Partners of Strafford County
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on June 2, 2015.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

To Provide: Mental Health Services

RESOLVED: That the Treasurer of the Board of Directors hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 6, 2015.

4. Matthew J. Sylvia is duly elected Treasurer of the Corporation.

(Seal)
(Corporation)

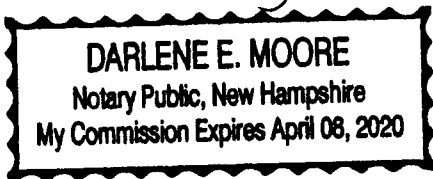
Ann Landry
(Signature of Board Secretary)

State of New Hampshire

County of Strafford

The foregoing instrument was acknowledged before me this 2nd day of June, 2015

by Ann Landry.



Darlene E. Moore
Name: Darlene E. Moore
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: April 8, 2020.

Client#: 950869

BEHAVHEA7

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/30/2014

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 USI Insurance Services LLC PO Box 406 Portland, ME 04112-0406	CONTACT NAME:		
	PHONE (A/C, No, Ext): 207-239-3500	FAX (A/C, No): 781-376-5035	
INSURED Behavioral Health & Developmental Svcs dba Community Partners 113 Crosby Road Suite 1 Dover, NH 03820	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Indemnity Insuranc		18058
	INSURER B: NH Employers Insurance Company		13083
	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 WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		PHPK1196170	07/01/2014	07/01/2015	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 ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS		PHPK1196170	07/01/2014	07/01/2015	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 DED <input checked="" type="checkbox"/> RETENTION \$10,000		PHUB464639	07/01/2014	07/01/2015	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"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	ECC600400067	07/01/2014	07/01/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <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	Property		PHPK1196170	07/01/2014	07/01/2015	See Below*	
A	Director&Officer		PHSD955105	07/01/2014	07/01/2015	\$5,000,000	
A	Professional		PHPK1196170	07/01/2014	07/01/2015	\$1MM Ea Claim/\$3MM Agg	

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

Property*

Blanket Building: \$1,793,248

Blanket Contents: \$1,282,500

Blanket Computers: \$700,000

(See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

State of New Hampshire
Dept of Health & Human Service
129 Pleasant Street
Concord, NH 03301-3587

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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Behavioral Health & Developmental Services of Strafford County, Inc.

Mission Statement

Our mission is to promote respect, wellness, full inclusion, and empowerment of individuals and their families who experience mental illness, emotional distress, developmental disability, chronic health needs, or acquired brain disorder.

By identifying and creating opportunities for people, in close collaboration with a network of local agencies, we will promote independence and interdependence and help the people we serve to realize their maximum potential. We are committed to educate the community at large about our mission

The agency will provide staff with opportunities for professional growth so they may contribute to the overall achievement of the agency's mission.

113 Crosby Road
Suite 1
Dover, NH 03820
(603) 516-9300
Fax: (603) 743-3244

55 Washington Street
Suite 540
Dover, NH 03820
(603) 516-9300
Fax: (603) 743-1850

660 Central Avenue
Dover, NH 03820
(603) 516-9300
Fax: (603) 516-2731

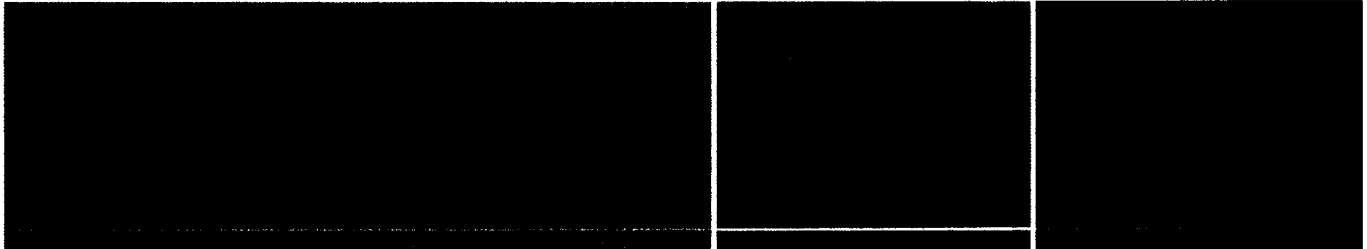
50 Chestnut Street
Dover, NH 03820
(603) 516-9300
Fax: (603) 516-2739

25 Old Dover Road
Rochester, NH 03867
(603) 516-9300
Fax: (603) 335-9278

A United Way
Partner Agency



*Revised Jan/2002
Reaffirmed Sept. 2009*



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

June 30, 2014 and 2013

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Behavioral Health & Developmental Services of Strafford County, Inc.
d/b/a Community Partners and Subsidiaries

We have audited the accompanying consolidated financial statements of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2014 and 2013, and the related consolidated statements of activities, functional revenue and 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; 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.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization, as of June 30, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matter

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and consolidating statements of activities are presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and are 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 U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 4, 2014

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Consolidated Statements of Financial Position

June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 1,688,233	\$ 3,713,671
Restricted cash	161,186	238,344
Accounts receivable, net of allowance for doubtful accounts	2,994,797	2,353,472
Grants receivable	106,509	106,526
Prepaid expenses	233,647	278,875
Property and equipment, net	<u>2,441,022</u>	<u>2,153,082</u>
 Total assets	 <u>\$ 7,625,394</u>	 <u>\$ 8,843,970</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 2,160,347	\$ 2,001,550
Refundable advances	787,904	962,155
Due to the State	-	1,340,088
Loan fund	88,996	88,818
Notes payable	<u>842,784</u>	<u>714,337</u>
 Total liabilities	 <u>3,880,031</u>	 <u>5,106,948</u>
Commitments and contingencies (Note 8)		
Net assets		
Unrestricted	3,701,263	3,666,713
Temporarily restricted	<u>44,100</u>	<u>70,309</u>
 Total net assets	 <u>3,745,363</u>	 <u>3,737,022</u>
 Total liabilities and net assets	 <u>\$ 7,625,394</u>	 <u>\$ 8,843,970</u>

The accompanying notes are an integral part of these consolidated financial statements.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Consolidated Statements of Activities

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Changes in unrestricted net assets		
Public support and revenue		
Medicaid revenue	\$ 23,304,027	\$ 22,742,375
Medicare revenue	229,854	147,225
Client resources	1,490,712	1,382,369
Contract revenue	1,182,715	853,503
Grant income	465,425	441,454
Interest income	522	1,377
Other program revenue	62,145	88,399
Public support	73,291	106,850
Other revenue	<u>489,791</u>	<u>269,129</u>
Total public support and revenue	27,298,482	26,032,681
Net assets released from restrictions	<u>27,933</u>	<u>31,073</u>
Total public support, revenue, and reclassifications	<u>27,326,415</u>	<u>26,063,754</u>
Expenses		
Program services		
Case management	1,896,638	1,932,330
Day programs and community support	6,639,532	6,523,328
Early support services and youth and family	3,321,818	3,369,271
Family support	600,208	599,153
Residential services	4,737,494	4,908,651
Combined residential, day and consolidated services	6,150,215	5,344,857
Medical services	104,930	102,565
Adult services	475,395	444,541
Emergency services	597,080	579,318
Other	<u>689,634</u>	<u>426,787</u>
Total program expenses	25,212,944	24,230,801
Supporting services		
General management	<u>2,078,921</u>	<u>1,763,333</u>
Total expenses	<u>27,291,865</u>	<u>25,994,134</u>
Total change in unrestricted net assets	<u>34,550</u>	<u>69,620</u>
Changes in temporarily restricted net assets		
United Way allocation	1,724	4,864
Net assets released from restrictions	<u>(27,933)</u>	<u>(31,073)</u>
Total change in temporarily restricted net assets	<u>(26,209)</u>	<u>(26,209)</u>
Total change in net assets	8,341	43,411
Net assets, beginning of year	<u>3,737,022</u>	<u>3,693,611</u>
Net assets, end of year	<u>\$ 3,745,363</u>	<u>\$ 3,737,022</u>

The accompanying notes are an integral part of these consolidated financial statements.

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC., D/B/A COMMUNI

Consolidated Statement of Functional Revenue and Expenses

Year Ended June 30, 2014

	Case Management	Day Programs and Community Support	Early Support Services and Youth and Family	Family Support	Residential Services	Combined Residential, Day and Consolidated Services	Medical Services	Adult Se
Revenue								
Medicaid revenue	\$ 2,004,554	\$ 5,371,665	\$ 3,269,908	\$ 243,744	\$ 5,382,737	\$ 6,478,466	\$ -	\$ -
Medicare revenue	-	175,197	323	-	-	-	-	-
Client resources	49,785	79,950	322,560	792	644,576	315,660	-	-
Contract revenue	8,192	232,523	232,848	193,657	-	-	220,549	-
Grant income	19,712	24,979	65,926	10,801	2,232	1,231	-	-
Interest income	-	-	-	-	-	-	-	-
Other program revenue	-	54,954	1,191	-	-	-	-	-
Public support	19,499	5,595	3,219	12,225	1,200	-	-	-
Other revenue	(138)	33,578	37,997	258	308	159	-	-
Total functional public support and revenue	2,101,604	5,978,441	3,933,972	461,477	6,031,053	6,795,516	220,549	3
Net assets released from restrictions	1,724	-	-	-	-	-	-	-
Total public support, revenue and reclassifications	2,103,328	5,978,441	3,933,972	461,477	6,031,053	6,795,516	220,549	3
Expenses								
Salaries and wages	1,219,854	3,618,109	2,010,797	155,515	587,402	1,285,399	78,476	2
Employee benefits	275,094	961,990	496,466	60,230	84,247	293,583	6,820	
Payroll taxes	91,199	285,871	152,269	12,321	46,462	102,654	3,890	
Contracted substitute staff	2,805	24,825	7,316	-	-	300	125	
Client treatment services	507	9,942	(914)	240,510	2,962,407	1,381,379	(40)	
Client therapies	35,005	301	76,460	755	25,247	30,234	-	
Professional fees and consultants	35,978	113,691	165,860	3,295	12,593	18,318	1,308	
Subcontractors	-	450,401	-	-	892,365	2,732,788	-	
Staff development/training	5,270	68,495	54,089	3,362	3,546	12,838	1,507	
Rent	20,607	138,537	51,147	-	2,640	9,270	1,070	
Utilities	14,132	50,456	17,716	2,201	8,012	15,110	272	
Building maintenance and repairs	11,156	35,819	16,950	1,381	16,716	11,483	279	
Other occupancy costs	8,483	53,372	14,190	917	4,205	5,747	246	
Office	8,840	37,319	15,085	2,090	2,371	5,732	459	
Building/household	5,256	22,372	8,620	993	3,547	3,457	105	
Client consumables	2,540	40,269	7,871	6,911	27,140	49,951	7	
Medical	137	1,089	352	-	1,830	1,482	548	
Equipment maintenance	18,867	48,554	50,864	(257)	(2,655)	(6,935)	1,495	
Depreciation	23,713	91,745	35,095	4,956	13,629	35,953	369	
Advertising	131	685	192	72	295	245	1	
Printing	316	765	10,816	22	10	299	12	
Telephone/communications	24,017	43,713	32,248	3,333	3,279	6,316	456	
Postage/shipping	4,291	5,573	6,660	597	18	765	90	

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC., D/B/A COMMUNI

Consolidated Statement of Functional Revenue and Expenses

Year Ended June 30, 2013

	Case Management	Day Programs and Community Support	Early Support Services and Youth and Family	Family Support	Residential Services	Combined Residential, Day and Consolidated Services	Medical Services	Adult Se
Revenue								
Medicaid revenue	\$ 2,195,206	\$ 5,447,731	\$ 3,664,506	\$ 217,202	\$ 5,596,010	\$ 5,210,953	\$ -	\$ 2
Medicare revenue	132	104,932	-	-	-	-	-	-
Client resources	46,016	106,932	248,179	-	610,332	246,945	-	-
Contract revenue	3,328	172,579	70,064	146,700	805	38,720	200,214	8
Grant income	21,097	127,764	78,566	24,285	995	1,162	-	-
Interest income	-	-	-	-	-	-	-	-
Other program revenue	-	65,812	3,765	-	-	-	-	-
Public support	16,251	8,283	952	55,143	-	16	-	-
Other revenue	946	37,489	1,415	2,899	199	725	-	-
Total functional public support and revenue	2,282,976	6,071,522	4,067,447	446,229	6,208,341	5,498,521	200,222	4
Net assets released from restrictions	4,864	-	-	-	-	-	-	-
Total public support, revenue and reclassifications	2,287,840	6,071,522	4,067,447	446,229	6,208,341	5,498,521	200,222	4
Expenses								
Salaries and wages	1,167,249	3,362,837	1,966,483	125,761	498,863	1,039,325	77,105	2
Employee benefits	336,689	1,183,777	590,880	70,505	99,948	372,435	8,276	-
Payroll taxes	91,361	282,640	158,362	9,990	39,765	86,309	3,924	-
Contracted substitute staff	1,242	4,471	-	-	-	-	-	-
Client treatment services	19,770	25,736	917	274,806	2,698,791	1,322,936	-	-
Client therapies	32,163	881	108,634	6,365	93,936	37,611	-	-
Professional fees and consultants	33,190	93,457	154,052	1,728	11,332	17,289	1,278	-
Subcontractors	-	444,343	-	-	1,352,160	2,245,838	-	-
Staff development/training	3,498	65,964	14,984	1,183	3,178	17,841	861	-
Rent	20,020	128,503	49,928	-	2,622	9,028	1,051	-
Utilities	13,937	45,060	17,133	2,209	5,914	16,503	262	-
Building maintenance and repairs	9,324	39,486	14,507	1,085	6,677	8,214	252	-
Other occupancy costs	7,924	39,419	13,185	867	2,512	5,535	227	-
Office	15,640	35,466	22,720	1,220	3,381	10,950	240	-
Building/household	4,256	15,870	6,169	617	1,489	2,891	87	-
Client consumables	13,045	42,813	13,680	7,147	25,837	39,518	20	-
Medical	187	1,016	478	-	1,319	11,142	10	-
Equipment maintenance	12,008	54,080	43,247	270	(22)	(1,819)	1,251	-
Depreciation	31,804	122,058	52,023	6,071	16,696	44,040	606	-
Advertising	260	770	598	41	786	142	10	-
Printing	260	377	5781	45	25	120	4	-
Telephone/communications	23,382	39,274	29,305	3,439	3,007	7,323	392	-
Postage	5,064	5,546	6,183	854	420	1,370	78	-

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Consolidated Statements of Cash Flows

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ 8,341	\$ 43,411
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation	259,773	338,065
Change in allowance for doubtful accounts	(117,412)	24,699
Decrease (increase) in		
Restricted cash	77,158	(81,825)
Accounts receivable, trade	(523,913)	(290,580)
Grants receivable	17	(86,237)
Prepaid expenses	45,228	132,573
Increase (decrease) in		
Accounts payable and accrued expenses	158,797	529,158
Refundable advances	(174,251)	(34,594)
Due to the State	(1,340,088)	1,340,088
Loan fund	<u>178</u>	<u>222</u>
Net cash (used) provided by operating activities	<u>(1,606,172)</u>	<u>1,914,980</u>
Cash flows from investing activities		
Acquisition of equipment	<u>(372,713)</u>	<u>(260,050)</u>
Cash flows from financing activities		
Principal payments on long-term borrowings	<u>(46,553)</u>	<u>(47,570)</u>
Net (decrease) increase in cash and cash equivalents	<u>(2,025,438)</u>	1,607,360
Cash and cash equivalents, beginning of year	<u>3,713,671</u>	<u>2,106,311</u>
Cash and cash equivalents, end of year	\$ <u>1,688,233</u>	\$ <u>3,713,671</u>
Supplemental disclosures		
Noncash transaction - Acquisition of equipment in exchange for note payable	\$ <u>175,000</u>	\$ <u>-</u>

The accompanying notes are an integral part of these consolidated financial statements.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

Nature of Activities

Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners (Community Partners) is a New Hampshire nonprofit corporation providing a wide range of community based services (see consolidated statement of functional revenue and expenses for various programs offered) for individuals, and their families, with developmental disabilities and/or mental illness. Community Partners also supports families with children who have chronic health needs. Community Partners is currently operating as two divisions: Developmental Services and Behavioral Health Services.

Community Partners is the sole shareholder of Lighthouse Management Services, Inc. which was organized to perform accounting and management functions for other not-for-profit entities.

Community Partners is the sole beneficiary of the Community Partners Foundation (the Foundation) which was established exclusively for the benefit and support of Community Partners. To that end, the Foundation receives and accepts gifts and funds.

The Foundation received and disbursed the following funds:

	<u>2014</u>	<u>2013</u>
Funds received	\$ 29,546	\$ 24,627
Funds disbursed	<u>27,315</u>	<u>23,587</u>
	<u>\$ 2,231</u>	<u>\$ 1,040</u>

The Foundation has received and disbursed the following funds since its inception in 2007:

Funds received	\$ 255,164
Funds disbursed	<u>185,350</u>
	<u>\$ 69,814</u>

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Community Partners, Lighthouse Management Services, Inc., and Community Partners Foundation (collectively, the Organization). All material intercompany balances and transactions have been eliminated in consolidation.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

Use of Estimates

The preparation of financial statements, in conformity with U.S. generally accepted accounting principles, 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.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on existence or absence of donor-imposed restrictions:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may be or will be met by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2014 and 2013, the Organization had no permanently restricted net assets.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purpose are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code to operate as a not-for-profit organization.

Financial Accounting Standards Board *Accounting Standards Codification* (FASB ASC) Topic 740, *Income Taxes*, establishes financial accounting and disclosure requirements for recognition and measurement of tax positions taken or expected to be taken. Management has reviewed the tax provisions for the Organization under FASB ASC Topic 740 and determined it did not have a material impact on the Organization's consolidated financial statements.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents. The cash equivalents represent repurchase agreements as of June 30, 2014 and 2013.

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 on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible accounts after considering each category of receivable individually, and estimates an allowance according to the nature of the receivable. Allowances are estimated from historical performance and projected trends. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. As of June 30, 2014 and 2013, allowances were recorded in the amount of \$153,112 and \$270,524, respectively.

Property and Equipment

Property and equipment are recorded at cost, while donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is provided on the straight-line method in amounts designed to amortize the costs of the assets over their estimated lives as follows:

Buildings and improvements	15-39 years
Equipment and furniture	3-7 years
Vehicles	5 years

Refundable Advances

The Organization's refundable advances consist of funds received in advance for services to be performed at a later date, amounts due to Medicaid and estimated Medicaid recoupment settlement reserves for Medicaid eligibility audits, and certain pass through funds (Note 2).

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

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 activities and functional revenue and expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification

Certain amounts in the 2013 consolidated financial statements have been reclassified to conform to the current year's presentation.

2. Restricted Cash

The Organization is currently serving as a pass-through entity for the Council for Children and Adolescents with Chronic Health Conditions Loan Guaranty Program. This program is operated and administered by a New Hampshire bank. Accordingly, as of June 30, 2014 and 2013, the Organization held cash totaling \$88,996 and \$88,818, respectively, which was restricted for this program. A corresponding amount has been recorded as a liability.

Additionally, the Organization is administering the Council for Children and Adolescents with Chronic Health Conditions Program. The total cash restricted for this program as of June 30, 2014 and 2013 was \$43,258 and \$53,238, respectively. A corresponding amount has been recorded as a liability and is classified within refundable advances.

During 2013, the Organization established a self funded insurance policy. As part of this transition, the Organization also established a health reimbursement account to pay for a portion of employee's medical expenses. The total cash restricted for this use as of June 30, 2014 and 2013, was \$28,932 and \$96,288.

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2014</u>	<u>2013</u>
Land and buildings	\$ 1,859,893	\$ 1,859,893
Building improvements	1,562,119	1,554,720
Vehicles	763,129	749,459
Equipment and furniture	<u>2,630,981</u>	<u>2,112,061</u>
	6,816,122	6,276,133
Less accumulated depreciation	<u>4,375,100</u>	<u>4,123,051</u>
	<u>\$ 2,441,022</u>	<u>\$ 2,153,082</u>

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

4. Due to the State

Effective March 2013, the New Hampshire Department of Health and Human Services (DHHS) implemented a new Medicaid Management Information System (MMIS) for administering and managing costs for the New Hampshire Medicaid Program. During the implementation period, Medicaid claims were not accepted by DHHS. DHHS anticipated this transition difficulty and issued the Organization transition payments, based on past claim history, to cover the three-week transition period. As actual claims were processed by DHHS in the MMIS system, Medicaid recoupments were reduced by related payments. As of June 30, 2013, a liability representing \$1,340,088 of cash advances received by the Organization and not yet applied against remittances had been reported on the consolidated statement of financial position. As of June 30, 2014, all cash advances had been recouped by the State.

5. Line of Credit

At June 30, 2014 and 2013, the Organization has a revolving line of credit agreement with a bank amounting to \$1,500,000. The line requires monthly interest payments on the unpaid principal balance at the rate of 1% over the bank's stated index, which was 4.25% during the years ended June 30, 2014 and 2013. The line of credit is collateralized by a security interest in all business assets. The Organization is required to annually observe 30 consecutive days without an outstanding balance. At June 30, 2014 and 2013, there was no outstanding balance on the line.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

6. Notes Payable

Notes payable consisted of the following:

	<u>2014</u>	<u>2013</u>
<u>Developmental Services</u>		
Note payable to a bank, payable in monthly installments of \$1,117, including interest at 4.15%, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	\$ 124,857	\$ 132,822
Note payable to a bank, modified on October 17, 2012. At the time of modification, the interest rate changed from 4.55% to 4.15%. Monthly principal and interest installments due changed from \$2,326 to \$2,272, through July 2017 with one payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	272,871	288,512
Note payable to a bank, payable in monthly installments of \$3,167, including interest at 3.24%, through April 2019; collateralized by certain equipment.	<u>169,619</u>	<u>-</u>
Total Developmental Services	567,347	421,334
<u>Behavioral Health Services</u>		
Note payable to a bank, payable in monthly installments of \$2,464, including interest at 4.15%, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate and an assignment of certain leases and rents. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	<u>275,437</u>	<u>293,003</u>
	\$ <u>842,784</u>	\$ <u>714,337</u>

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

The scheduled maturities of long term debt are as follows:

2015	\$ 76,000
2016	425,000
2017	53,000
2018	256,000
2019	<u>32,784</u>
	<u>\$ 842,784</u>

Cash paid for interest approximates interest expense for the years ended June 30, 2014 and 2013.

7. Temporarily Restricted Net Assets

At June 30, 2014 and 2013, temporarily restricted net assets were \$44,100 and \$70,309, respectively. The Organization's restricted assets consist of vehicles contributed to the Organization from the State of New Hampshire under grant programs. These contributed vehicles are to be used for the transportation of the Organization's clients.

8. Commitments and Contingencies

Operating Leases

The Organization leases various office facilities and equipment under operating lease agreements. Expiration dates range from September 2012 through August 2018. Total rent expense charged to operations was \$250,960 in 2014 and \$228,780 in 2013.

Minimum operating lease payments for subsequent years ending after June 30, 2014 are as follows:

	<u>Total</u>
2015	\$ 321,402
2016	320,353
2017	289,810
2018	181,309
2019	<u>778</u>
	<u>\$ 1,113,652</u>

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

Self-Insurance

The Organization has a self-insured health care plan for substantially all of its employees. The Organization has obtained reinsurance coverage to limit its exposure associated with this plan individually of \$30,000 with an aggregate limit of 125% of the expected claims. At June 30, 2014 and 2013, the Organization has accrued \$164,737 and \$300,082, respectively, under the self-insurance contract.

Litigation

The Organization 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 Organization's future financial position or results of operations.

9. Concentrations

For the years ended June 30, 2014 and 2013, approximately 85% and 87%, respectively, of the support and revenue of the Organization was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

The accounts receivable due from Medicaid were:

	<u>2014</u>	<u>2013</u>
Developmental Services	\$ 1,685,928	\$ 1,933,245
Behavioral Health Services	<u>874,971</u>	<u>457,397</u>
	<u>\$ 2,560,899</u>	<u>\$ 2,390,642</u>

In order for the Developmental Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Developmental Service, as the provider of services for developmentally disabled individuals for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in September 2015.

In order for the Behavioral Health Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Behavioral Health, as the community mental health provider for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires in August 2016.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A
COMMUNITY PARTNERS AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2014 and 2013

10. Retirement Plan

The Organization maintains a tax sheltered annuity plan that is offered to all eligible employees. The plan includes an employer contribution equal to 3% of each eligible employee's salary. Total costs incurred for the plan during the years ended June 30, 2014 and 2013 were \$233,038 and \$231,559, respectively. The total expense for the years ended June 30, 2014 and 2013 for the Developmental Services division was \$109,548 and \$113,628, respectively, and for the Behavioral Health Services division was \$123,490 and \$117,931, respectively.

11. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles, management has considered transactions or events occurring through November 4, 2014, which is the date that the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A COMMUI

Consolidating Statements of Financial Position

June 30, 2014 and 2013

2014

	<u>Developmental Services</u>	<u>Behavioral Health Services</u>	<u>Lighthouse Management Services</u>	<u>Community Partners Foundation</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>	<u>Developm Service</u>
<u>Assets</u>							
Cash and cash equivalents	\$ 875,604	\$ 734,491	\$ 7,228	\$ 70,910	\$ -	\$ 1,688,233	\$ 1,767
Restricted cash	146,720	14,466	-	-	-	161,186	190
Accounts receivable, net of allowance for doubtful accounts	1,869,791	1,303,864	13	-	(178,871)	2,994,797	1,870
Grants receivable	41,773	64,736	-	-	-	106,509	43
Prepaid expenses	131,822	101,825	-	-	-	233,647	160
Interest in net assets of subsidiaries	68,819	-	-	-	(68,819)	-	63
Property and equipment, net	1,916,887	524,135	-	-	-	2,441,022	1,567
Total assets	<u>\$ 5,051,416</u>	<u>\$ 2,743,517</u>	<u>\$ 7,241</u>	<u>\$ 70,910</u>	<u>\$ (247,690)</u>	<u>\$ 7,625,394</u>	<u>\$ 5,663</u>
<u>Liabilities and Net Assets (Deficit)</u>							
Liabilities							
Accounts payable and accrued expenses	\$ 1,889,223	\$ 440,663	\$ 8,236	\$ 1,096	\$ (178,871)	\$ 2,160,347	\$ 1,442
Refundable advances	440,201	347,703	-	-	-	787,904	400
Due to the State	-	-	-	-	-	-	1,250
Loan fund	88,996	-	-	-	-	88,996	88
Notes payable	567,347	275,437	-	-	-	842,784	421
Total liabilities	<u>2,985,767</u>	<u>1,063,803</u>	<u>8,236</u>	<u>1,096</u>	<u>(178,871)</u>	<u>3,880,031</u>	<u>3,604</u>
Net assets (deficit)							
Unrestricted	2,021,549	1,679,714	(995)	69,814	(68,819)	3,701,263	1,989
Temporarily restricted	44,100	-	-	-	-	44,100	70
Total net assets (deficit)	<u>2,065,649</u>	<u>1,679,714</u>	<u>(995)</u>	<u>69,814</u>	<u>(68,819)</u>	<u>3,745,363</u>	<u>2,059</u>
Total liabilities and net assets (deficit)	<u>\$ 5,051,416</u>	<u>\$ 2,743,517</u>	<u>\$ 7,241</u>	<u>\$ 70,910</u>	<u>\$ (247,690)</u>	<u>\$ 7,625,394</u>	<u>\$ 5,663</u>

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A COMMUI

Consolidating Statements of Activities

Years Ended June 30, 2014 and 2013

	2014					Develop Serv
	Developmental Services	Behavioral Health Services	Lighthouse Management Services	Community Partners Foundation	Eliminations	
Changes in unrestricted net assets (deficit)						
Public support and revenue	\$ 17,005,812	\$ 6,298,215	\$ -	\$ -	\$ -	\$ 15,86
Medicaid revenue	-	229,854	-	-	-	96
Medicare revenue	1,110,313	380,399	-	-	-	43
Client resources	481,416	701,299	-	-	-	22
Contract revenue	142,462	322,963	-	-	-	6
Grant income	-	522	-	-	-	522
Interest income	62,145	-	-	-	-	62,145
Other program income	42,453	1,292	-	29,546	-	73,291
Public support	167,559	324,463	118,509	-	(120,740)	489,791
Other revenue						
Total public support and revenue	19,012,160	8,259,007	118,509	29,546	(120,740)	27,298,482
Net assets released from restrictions	27,933	-	-	-	-	27,933
Total public support, revenue and reclassifications	19,040,093	8,259,007	118,509	29,546	(120,740)	27,326,415
Expenses						
Program services						
Case management	869,742	1,026,896	-	-	-	1,896,638
Day programs and community support	3,897,948	2,741,584	-	-	-	6,639,532
Early support services and youth and family	940,167	2,381,651	-	-	-	3,321,818
Family support	600,208	-	-	-	-	600,208
Residential services	4,737,494	-	-	-	-	4,737,494
Combined residential, day and consolidated services	6,150,215	-	-	-	-	6,150,215
Medical services	-	104,930	-	-	-	104,930
Adult services	238,087	237,308	-	-	-	475,395
Emergency services	-	597,080	-	-	-	597,080
Other	275,652	386,667	115,900	27,315	(115,900)	689,634
Total program expenses	17,709,513	7,476,116	115,900	27,315	(115,900)	25,212,944
Supporting services						
General management	1,298,350	780,571	-	-	-	2,078,921
Total expenses	19,007,863	8,256,687	115,900	27,315	(115,900)	27,291,865
Total change in unrestricted net assets (deficit)	32,230	2,320	2,609	2,231	(4,840)	34,550
Changes in temporarily restricted net assets						
United Way allocation	1,724	-	-	-	-	1,724
Net assets released from restrictions	(27,933)	-	-	-	-	(27,933)



**Behavioral Health & Developmental Services of Strafford County, Inc.
DBA Community Partners of Strafford County**

**BOARD OF DIRECTORS
2014 – 2015**

PRESIDENT

Christopher G. Roundy

VICE PRESIDENT

Kathleen Boisclair (C)

TREASURER

Matthew Sylvia

SECRETARY

Anne Landry

Kristine Baber

Greg Betts (C)

Judge Daniel Cappiello

Anthony Demers

Wayne Goss (C)

John Guy

Bryant Hardwick

Kerri Larkin (C)

John Lowy (C)

Ken Muske

BRIAN J. COLLINS

EXPERIENCE:

1995 - Present Executive Director, Behavioral Health & Developmental Services of Strafford County, Inc., d/b/a Community Partners of Strafford County

Chief Executive Officer of a Regional Area Agency in New Hampshire. Agency provides support to Strafford County residents with disabilities or mental illness and their families, including case management, residential services, day & vocational programming, and family support. Agency employs 350 staff with a total budget exceeding \$22.7 million. Report to a 14 member Board of Directors. Accomplishments include:

- Turned DSSC's \$363,000 negative asset balance at arrival to a \$1.6 million positive asset balance.
- Successfully implemented corrective administrative measures resulting in removal of conditions imposed by the State of NH as a result of the impending bankruptcy, coupled with unsatisfactory programming through FY95.
- Provided 150 new services to waitlist consumers during the first 4 years with no additional resources.
- Expanded agency mission, including becoming a Partners in Health site serving children with chronic illness and their families, running State-wide loan program for families with chronically ill members and expanded business office operations through contractual means with other not for profit organizations.

1989 - 1995 Executive Director, The Plus Company

Chief Executive Officer of a non-profit human service agency serving over 150 people with disabilities in New Hampshire and Massachusetts. Agency provides residential, vocational, and medical supports in over 50 locations. Agency employs 125 staff with a total budget of \$4.5 million. Report to a 15 member Board of Directors. Accomplishments include:

- Eliminated debt service after Agency had lost \$500,000 over a prior five year period. Agency's surplus exceeded \$600,000 over five year tenure.
- Increased operational budget over \$1 million. Contract with 25 funding streams, which include three states, numerous non-profit agencies, school systems, and private companies.
- Eliminated the need for a sheltered workshop by developing community jobs and individualized day options for over 75 consumers. Negotiated the sale of the sheltered workshop building and relocated the agency headquarters. The move retired all debt service.
- Downsized all group home populations by developing individualized and small group options. Grew the number of consumers living in small group settings from 45 to 70 people during a five year period.
- Increased fund raising and public relation, including a high profile annual breakfast with over 400 people in attendance.

1985 - 1989 Program Planning and Review Specialist, New Hampshire DMHDS

Responsible for managing \$13 million of State and Federal funds, covering one-quarter of the service system. Areas of responsibilities include case management, housing, vocational programming, respite care, early childhood intervention and family support services. Reported to the Assistant Director of Developmental Services. Accomplishments include:

- Monitor contract compliance to ensure cost effective service delivery system. Oversee implementation of Supported Employment Initiative to establish program models, funding stream, staff re-education and training, and business and industry liaisons.
- Analyze budgets to determine maximum revenue sources and maintain controls over expenditures.
- Ensure that the Board of Directors policies and staff procedures enhance community presence of people with severe disabilities.
- Liaison for regional area agencies and State agencies to Division of Vocational Rehabilitation.
- Ensure compliance with \$2 million federal grant, to fund a five year plan to create employment opportunities.
- Member of Governor's Task Force on Employment.

1983 - 1985 Quality Assurance Administrator, New Hampshire DMHDS

Responsible for quality assurance function statewide for Community Service Delivery System. Led seven person team in annual reviews of each regional area agency. Reported to the Director of Quality Assurance. Accomplishments include:

- Monitored compliance with State regulations.
- Generated written compliance reports.
- Approved corrective action plans, reviewed progress.
- Developed State regulations for client rights, residential and vocational programs, case management, and respite care.

1982 - 1983 Training Coordinator, New Hampshire DMHDS

Responsible for the coordination of statewide and regional training for Community Service Deliver System; designed Training Needs Inventory using regional priorities to establish training needs; procured funding to provide consultants for specific regional training and technical assistance; originated special projects, including training annual, audio visual training packages and leisure skills handbook.

1973 - 1982 Various positions as a Direct Care Worker at Walter E. Fernald State School, Waltham, Massachusetts and community based programs.

EDUCATION:

Masters in Public Administration, University of New Hampshire
BA, Communications, Boston College Evening School

ADVISORY BOARDS:

Advisory Board, University of New Hampshire Institute on Disability (UAP)

University of Hartford Rehabilitation Training Program

Virginia Commonwealth University Rehabilitation Research and Training Center.

New Hampshire Governor's Appointment to Inter-Agency Coordinating Council. Overseeing services to children with disabilities from birth to age three.

HHS Commissioner Stephen's Advisory Council focused on increasing employment for people with disabilities

MEMBERSHIPS:

The Association for Persons with Severe Handicaps (TASH)

American Association on Mental Retardation (AAMR)

National Rehabilitation Association (NRA)

New Hampshire Rehabilitation Association (NHRA)

American Network of Community Options and Resources

KEY ADMINISTRATIVE PERSONNEL - FY2016

Behavioral Health & DS of Strafford County dba COMMUNITY PARTNERS

Position	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Collins, Brian	0.50	\$ 66,145.00	\$ 31,216.32	47%
Chief Financial Officer	Stocker, Kathleen	0.48	\$ 45,755.00	\$ 21,593.51	47%
Medical Director	Allister, RJ	1.00	\$ 224,432.00	\$ 105,917.92	47%
Chief Operations Officer	Kozak, Chris	1.00	\$ 76,003.00	\$ 35,868.68	47%