



48 HJT

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527  
603-271-4741 1-800-852-3345 Ext. 4741  
Fax: 603-271-4506 TDD Access: 1-800-735-2964



Nicholas A. Toumpas  
Commissioner

José Thier Montero  
Director

April 30, 2014

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

50% Federal funds  
50% General funds

**REQUESTED ACTION**

sole source

Authorize the Department of Health and Human Services, Division of Public Health Services and Office of Medicaid Business and Policy, to enter into a **sole source** agreement with Bi State Primary Care Association, Vendor #166695-B001, 525 Clinton Street, Bow, NH 03304, in an amount not to exceed \$355,000, to recruit primary care healthcare professionals to medically underserved areas of New Hampshire and to provide oral health professional recruitment services, to be effective July 1, 2014 or date of Governor and Council approval, whichever is later, through June 30, 2016.

Funds are available in the following accounts for SFY 2015, and are anticipated to be available in SFY 2016 upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-90-901010-7965 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS, POLICY & PERFORMANCE, RURAL HEALTH & PRIMARY CARE

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
SFY 2015	103-502664	Contracts for Operational Services	90075001	90,000
SFY 2016	103-502664	Contracts for Operational Services	90075001	90,000
			Sub Total	\$180,000

05-95-47-470010-7937 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: OFC OF MEDICAID & BUSINESS POLICY, MEDICAID ADMINISTRATION

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
SFY 2015	102-500731	Contracts for Program Services	47000144	85,000
SFY 2016	102-500731	Contracts for Program Services	47000144	90,000
			Sub Total	\$175,000
			Total	\$355,000

## EXPLANATION

**Sole source** approval is requested for this contract. The Department of Health and Human Services has partnered on competitively procured contracts with Bi State Primary Care Association since 2004. They have been the only respondent each time we have procured the required scope of services. Over the past 10 years, they have performed, and continue to perform, very well as our vendor in supporting access to health care services for vulnerable populations. Because of this, a competitive bid likely will not add value to our ability to contract with a qualified vendor nor do we believe it will result in any new bidders coming forward. As such, approval is requested to sole source with Bi State Primary Care Association.

Funds in this agreement will be used to continue recruitment of primary care providers to New Hampshire with particular reference to federally designated underserved areas of the state. Primary care providers are defined as physicians practicing in the specialties of: Internal medicine, pediatrics, family practice, general practice, obstetrics/gynecology, geriatrics, psychiatry, and dentistry, physician assistants, nurse practitioners, certified nurse-midwives, dental hygienists, clinical or counseling psychologists, clinical social workers, licensed professional counselors, and marriage and family therapists.

The Bi-State Primary Care Association will carry out activities to attract primary care providers and oral health professionals to New Hampshire, using federal resources, national publications, targeted mailings, direct recruitment with medical schools/residency programs and other primary care provider educational institutions, and direct contact with practicing providers or students who may be interested in locating in New Hampshire. The Recruitment Center will maintain the statewide primary care provider needs documentation and vacancy tracking system, for both public and private health care agencies and organizations. Staff will also provide technical assistance to communities to retain such providers into underserved areas and to organizations/institutions recruiting primary care providers on the techniques of recruitment and on measures critical for securing a candidate. An increased emphasis on recruiting dentists is in response to the community need for dentists who will treat the increasing number of uninsured patients, and to increase the number of dentists willing to treat Medicaid patients.

The Bi-State Primary Care Association has provided centralized and cost-effective recruiting of healthcare professionals to over 100 sites statewide, including all the publicly funded health centers and community hospitals. Since beginning its operation in 1994, the Bi-State Primary Care Association has successfully placed more than 200 primary care providers with a 99% retention rate. This success sets apart the Bi-State Primary Care Association from other regional and national placement services that have neither the familiarity with the state and its health care needs, nor the time to devote to one-on-one assistance to community agencies, organizations, and providers. Other provider retention activities of the Bi-State Primary Care Association include retaining a pool of "per diem" physicians who will provide short-term relief for isolated physicians or for organizations temporarily without a provider.

For-profit recruiters or physician placement firms charge organizations a base rate of at least \$10,000 per recruited physician or up to 35% of a physician's first year salary. As a non-profit organization Bi-State Primary Care Association is able to provide comparable services at rates that are generally 1/3 less than what is charged by private firms. There is no up-front fee to use Bi-State's services. Bi-State's fee is payable contingent on the successful recruitment of a provider. As a state-

based organization, Bi-State Primary Care Association has a greater knowledge of healthcare provider issues and New Hampshire than do out of state recruiting firms. Centralizing recruitment efforts for the healthcare safety net providers throughout the state is a cost-effective means of recruiting providers for health centers and hospitals unable to afford the costs of many national for-profit recruitment firms. An additional competitive advantage to the Bi-State Primary Care Association is that it does not charge providers looking for employment with the community health centers. This acts as an incentive to providers, and assists with recruitment.

Should Governor and Executive Council not authorize this Request, New Hampshire would become less competitive with neighboring New England States in attracting qualified primary care providers and dentists to provide medical care to our uninsured and underinsured residents. Access to quality primary care and dental services plays a crucial role in meeting patients' needs for preventive health services, acute and chronic illness care, expert coordination and navigation through an increasingly complex health care system.

This Agreement has the option to extend for two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

The following performance measures will be used to measure the effectiveness of the agreement:

- Increases the supply of primary care and dental providers, and improves recruitment with those areas of need as evidenced by a count of providers using recruitment software.
- Develops a social marketing plan based upon best practices for recruitment for primary care and dental professionals as outlined in the Scope of Services.
- Implements social marketing plan within 45 days of approval of the contract by the Governor and Executive Council.
- Spearheads the implementation and coordination of a work plan for recruiting students from New Hampshire to apply to regional universities and to recruit students to New Hampshire for clinical rotations and to assist these university graduates in locating a practice in an underserved area of the state upon graduation.
- Maintenance of the statewide electronic vacancy tracking system.

Area served: Statewide.

Source of Funds: 50% Federal Funds from the Federal Medical Assistance Program and Title XIX Medicaid Funds, and 50% General Funds.

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

Respectfully submitted,

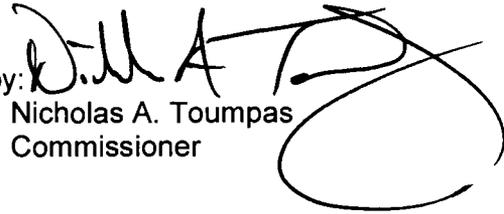


José Thier Montero, MD, MHCDS  
Director, Division of Public Health Services



Kathleen A. Dunn, MPH  
Director, Office of Medicaid Business &  
Policy

Approved by:



Nicholas A. Toumpas  
Commissioner

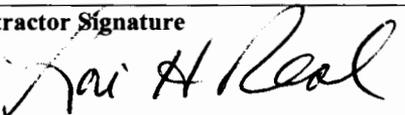
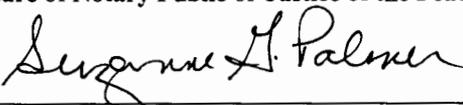
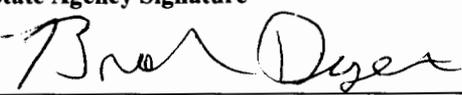
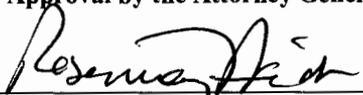
Subject: Primary Care Recruitment and Dental Recruitment Contract

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

<b>1.1 State Agency Name</b> NH Department of Health and Human Services Division of Public Health Services		<b>1.2 State Agency Address</b> 29 Hazen Drive Concord, NH 03301-6504	
<b>1.3 Contractor Name</b> Bi State Primary Care Association		<b>1.4 Contractor Address</b> 525 Clinton Street Bow, NH 03304	
<b>1.5 Contractor Phone Number</b> 603-229-1852	<b>1.6 Account Number</b> 05-95-90-901010-7965-103-502664; 05-95-47-470010-7937-102-500731	<b>1.7 Completion Date</b> 06/30/2016	<b>1.8 Price Limitation</b> \$355,000
<b>1.9 Contracting Officer for State Agency</b> Brook Dupee, Bureau Chief		<b>1.10 State Agency Telephone Number</b> 603-271-4501	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Lori H. Real, MHA, Chief Operating Officer	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Merrimack</u> On <u>4/23/14</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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b> [Seal]  Commission expires 7/28/15			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Suzanne G. Palmer			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Brook Dupee, Bureau Chief	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution)</b> By:  On: 5-14-14			
<b>1.18 Approval by the Governor and Executive Council</b> 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: 4/23/14



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.

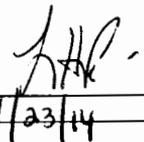
**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**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.

Handwritten signature and date. The signature is written in black ink and appears to be 'AHP'. The date is written as '4/23/14'.



## Exhibit A

### SCOPE OF SERVICES

#### 1. Project Description

The mission and function of the Department of Health and Human Services (DHHS), Division of Public Health Services (DPHS), Rural Health and Primary Care (RHPC) section is to support communities and stakeholders that provide innovative and effective access to quality health care services with a focus on the low income, uninsured, and Medicaid populations of New Hampshire. The purpose of this project is to perform recruitment and retention activities to increase the number of primary care providers providing comprehensive health care to the state's Medicaid, Medicare, uninsured, underinsured, and vulnerable populations. The area to be served is statewide. Primary care provider is defined as practicing physicians in internal medicine, pediatrics, family practice, general practice, obstetrics/gynecology, and geriatrics; physician assistants; nurse practitioners; certified nurse-midwives; psychiatrists; dentists; dental hygienists; clinical or counseling psychologists; clinical social workers; licensed professional counselors; and marriage and family therapists.

#### 2. Required Activities

- 2.1 Administer the New Hampshire Recruitment Center to assure successful recruitment and retention of primary care providers throughout the state with a specific emphasis on those areas of the state that are federally designated underserved areas. Those designations are: Health Professional Shortage Area (HPSA), Dental Health Professional Area (DHPSA), Mental Health Professional Area (MHPSA), Medically Underserved Areas (MUA), and Medically Underserved Population (MUP).
- 2.2. Within 45 days of contract approval, provide an updated work plan to enhance recruitment and retention of new primary care providers to New Hampshire. Activities in the Division of Public Health Services' work plan should be coordinated with, but not duplicative of, those activities included in the Office of Medicaid Business & Policy's (OMBP) work plan.
- 2.3. Carry out activities to attract primary care providers to New Hampshire and to promote New Hampshire practice opportunities, using federal resources, national publications, targeted mailings, direct recruitment with dental schools/residency programs and other dental provider educational institutions, and direct contact with practicing providers or students who may be interested in locating New Hampshire.
- 2.4. Within 45 days of contract approval, develop a written social marketing plan to enhance recruitment and retention of new primary care providers to New Hampshire. Activities in DPHS marketing plan should be coordinated with, but not duplicative of, those activities included in OMBP's work plan.

A handwritten signature in black ink, appearing to be 'J. Smith' or similar, written over a horizontal line.



## Exhibit A

- 2.5. Assist in the development and coordination of training programs, preceptorships, and rotations for primary care providers and students, using public and private providers, agencies and facilities in the state.
- 2.6. Provide technical assistance to communities and to organizations/institutions recruiting primary care providers on the techniques of recruitment and on measures critical for securing a candidate.
- 2.7. Maintain a fee schedule for services offered by the Recruitment Center. DPHS must approve in writing the fee schedule and any revisions during the contract period. The fee schedule shall include provision for reduced rate fees from entities in underserved areas.
- 2.8. Collaborate with the New Hampshire Medical Society, New Hampshire Hospital Association, Area Health Education Centers (AHECs), and other relevant professional provider organizations in the state to assure coordination in carrying out the Scope of Services.
- 2.9. Use the data collected from the Health Professions Workforce Data Center (e.g. common medical schools/training programs) to better focus and strengthen marketing efforts for recruitment purposes.
- 2.10. The Contractor shall participate in activities designed to establish a supportive link between the practitioners and an academic institution and its health professions students.

### 3. Compliance and Reporting Requirements

#### 3.1. Staffing Provisions

- A. The Contractor shall notify the RHPC Section in writing within one (1) month of hire when a new director, program manager, or program assistant is hired to work in the program. A resume of the employee shall accompany this notification.
- B. The Contractor must notify the RHPC Section in writing of vacancies extending past (3) months in any of the following positions: program director, program manager, and/or program assistant. This notification may be done through a budget revision.
- C. The RHPC Section must be notified in writing if, at any time, a site funded under this agreement does not have adequate staffing to perform all required services for more than one (1) month.

#### 3.2 Meetings and Trainings

The Contractor shall participate in meetings and discussions centered on community development of primary care systems as requested by the RHPC Section.

#### 3.3 Data Requirements

- A. Maintain the statewide primary care provider needs documentation and vacancy tracking system, for both public and private health care agencies and organizations.

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## Exhibit A

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- B. Utilize the Health Resources and Services Administration (HRSA) recruitment software system, "Practice Sights," to identify health professional vacancies and match them with prospective candidates.

### 3.4 Compliance Requirements

- A. The contractor is responsible for compliance with all relevant state and federal laws.
- B. The contractor shall carry out the work as described in the performance work plan submitted with the proposal and approved by DPHS.
- C. DHHS and/or its funders will retain COPYRIGHT ownership for any and all original materials produced with DHHS contract funding, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports.
- D. All documents (written, video, audio) produced, reproduced or purchased under the contract shall have prior approval from DPHS before printing, production, distribution or use.
- E. The contractor shall credit DHHS on all materials produced under this contract following the instructions outlined in Exhibit C, Section 13 Credits.
- F. If a subcontracted agency or provider provides services required for compliance with this exhibit, DPHS must be notified in writing prior to initiation of the subcontract. In addition, any subcontractor(s) must be held responsible to fulfill all relevant requirements included in this exhibit as outlined in Exhibit C, Section 16 Subcontractors.

### 3.5 Reporting Requirements

- A. The contractor shall provide DPHS quarterly reports on the status of activities of the Recruitment Center within 20 days of the quarter's end.
- B. The contractor shall provide to DPHS a summary annual report on the status of the activities of the Recruitment Center within 45 days of the state fiscal year end.

## 4. Performance Measures

- 4.1. The percentage of primary care providers recruited to practice within areas of need as evidenced by count of providers using recruitment software.
- 4.2. Approval by the DPHS of a social marketing plan based upon best practices for recruitment for primary care providers as outlined.
- 4.3. Implementation of social marketing plan within 45 days of approval of the contract by the Governor and Executive Council.

*[Handwritten initials]*



## Exhibit A

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- 4.4. Submission of reports from the statewide electronic vacancy tracking system that include:
- The number of contacts with primary care professionals broken out by provider type and source of the referrals;
  - The number of primary care providers recruited to the State;
  - The names of primary care providers recruited to the state to include their name, practice location, provider type, the date placed and the source of the referral;
  - The name of primary care providers who decline a placement and the reason(s) provided by the primary care providers for the decline.
- 4.5. Number of type of units of technical assistance consultations provided to local community agencies:
- 4.6. Financial management and oversight of the contract
- Contractor includes information on the contract budget and any budget variances in the quarterly report.

Handwritten initials in black ink, appearing to be 'HHC'.

4/23/14



## Exhibit A-1

# SCOPE OF SERVICES

## 1. Project Description

The mission of the New Hampshire Department of Health and Human Services, Office of Medicaid Business and Policy (OMBP) is to establish and maintain a health services delivery system for New Hampshire Medicaid beneficiaries within federal, state and local regulations focused on promoting health and Wellness. The primary purpose is to perform recruitment and retention activities to increase the number of dental providers providing comprehensive, oral health care to eligible Medicaid recipients as mandated by Title XIX Medicaid regulations. The area to be served is statewide. Dental provider is defined as a general dentist, pediatric dentist and or orthodontist.

## 2. Required Activities

- 2.1. Administer the New Hampshire Recruitment Center to assure successful recruitment and retention of dental providers (including general and pediatric dentists, dental sub-specialists and orthodontists) throughout the State with a specific emphasis on those parts of the federally designated underserved areas of the State, including those areas of the State where analysis indicates a lower than average utilization of dental services by Medicaid enrolled children and a lower than average supply of dentists and orthodontists serving children enrolled in the Medicaid program.
- 2.2. Within 45 days of contract approval, provide an updated work plan to enhance recruitment and retention of new dental providers to New Hampshire. Activities in the Office of Medicaid Business & Policy's work plan should be coordinated with but not duplicative of those activities included in the Division of Public Health Services' work plan.
- 2.3. Carry out activities to attract dental providers to New Hampshire and to promote New Hampshire practice opportunities among dentists, using federal resources, national publications, targeted mailings, direct recruitment with dental schools/residency programs and other dental provider educational institutions, and direct contact with practicing providers or students who may be interested in locating New Hampshire.
- 2.4. Within 45 days of contract approval, develop a written social marketing plan to enhance recruitment and retention of new dental providers to New Hampshire. Activities in OMBP's marketing plan should be coordinated with but not duplicative of those activities included in DPHS work plan.

*RHC*



## Exhibit A-1

- 2.5. Assist in the development and coordination of training programs, preceptorships and rotations for dental providers and students, using public and private providers, agencies and facilities in the state.
- 2.6. Provide technical assistance to communities and to organizations/institutions recruiting dental providers on the techniques of recruitment and on measures critical for securing a candidate.
- 2.7. Collaborate with the DHHS dental director, to assist in the recruitment of existing and new dentists capable of providing comprehensive dental care for Medicaid eligible children.
- 2.8. Maintain a relationship with a New Hampshire licensed dentist to support the implementation of the marketing plan and the marketing of the recruitment service to dental practices.
- 2.9. Maintain a fee schedule for services offered by the Recruitment Center. OMBP must approve in writing the fee schedule and any revisions during the contract period. The fee schedule shall include provision for reduced rate fees from entities in underserved areas.
- 2.10. Collaborate with the New Hampshire Dental Society, the DPHS Oral Health Program and other relevant professional care provider organizations and the state, and to assure coordination in carrying out this Scope of Services.

### 3. Compliance and Reporting Requirements

- 3.1. Compliance Requirements
  - A. The contractor is responsible for compliance with all relevant state and federal laws.
  - B. The contractor shall carry out the work as described in the performance work plan submitted with the proposal and approved by the Office of Medicaid Business and Policy
  - C. DHHS and/or its funders will retain COPYRIGHT ownership for any and all original materials produced with DHHS contract funding, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports.
  - D. All documents (written, video, audio) produced, reproduced or purchased under the contract shall have prior approval from DPHS before printing, production, distribution or use.
  - E. The contractor shall credit DHHS on all materials produced under this contract following the instructions outlined in Exhibit C, Section 13 Credits.
  - F. If a subcontracted agency or provider provides services required for compliance with this exhibit, OMBP must be notified in writing prior to initiation of the subcontract. In addition, any subcontractor(s) must be held responsible to fulfill all relevant requirements included in this exhibit as outlined in Exhibit C, Section 16 Subcontractors.

*AHC*



## Exhibit A-1

### 3.2. Reporting Requirements

- A. The contractor shall provide OMBP quarterly reports on the status of activities of the Recruitment Center within 20 days of the quarters end.
- B. The contractor shall provide to OMBP a summary annual report on the status of the activities of the Recruitment Center within 45 days of the state fiscal year end.

## 4. Performance Measures

- 4.1. Increase the supply of dental providers and improves recruitment with those areas of need as evidenced by count of providers using recruitment software.
- 4.2. Contractor develops a social marketing plan based upon best practices for recruitment for dental professionals as outlined.
- 4.3. Contractor implements social marketing plan within 45 days of approval of the contract by the Governor and Executive Council.
- 4.4. Contractor spearheads the implementation and coordination of a work plan for recruiting students from New Hampshire to apply to University of New England and to recruit students to New Hampshire for clinical rotations and to assist these university graduates in locating a practice in an underserved area of the state upon graduation.
- 4.5. Contractor includes information on recruiting initiatives undertaken during the contract period in the quarterly and final reports to the OMBP.
- 4.6. Maintenance of the statewide electronic vacancy tracking system:
  - The number of contacts with dental professionals broken out by general practice, pediatric dentists, sub-specialists and orthodontists and source of the referrals;
  - The number of dentists recruited to the State;
  - The names of dentists recruited to the state to include their name, practice location, provider type, the date placed and the source of the referral;
  - The name of dentists who decline a placement and the reason(s) provided by the dentist for the decline.
- 4.7. Provision of technical assistance consultations to local community agencies
  - Contractor includes information on the number and type of consultations provided under the auspices of this contract in the quarterly and final reports to OMBP.
- 4.8. Financial management and oversight of the contract
  - Contractor includes information on the contract budget and any budget variances in the quarterly report.



## Exhibit B

### Method and Conditions Precedent to Payment

1) Funding Sources:

- a. \$180,000 = 50% federal funds from the Federal Medical Assistance Program, CFDA #93.778, and 50% general funds.
- b. \$175,000 = 50% federal funds from the Title XIX Medicaid Funds, CFDA #93.778, and 50% General Funds.  
\$355,000

2) The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

a. Payment for said services shall be made as follows:

The Contractor will submit an invoice in a form satisfactory to the State by the twentieth 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 invoice for Contractor services provided pursuant to this Agreement. The final invoice shall be due to the State no later than thirty (30) days after the contract Completion Date.

b. The invoices must be submitted as follows:

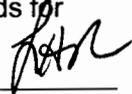
i. Primary Care Recruitment invoices to:

Department of Health and Human Services  
Division of Public Health Services  
Email address: [DPHScontractbilling@dhhs.state.nh.us](mailto:DPHScontractbilling@dhhs.state.nh.us)

ii. Oral Health Recruitment invoices to:

Department of Health and Human Services  
Office of Medicaid Business and Policy  
129 Pleasant Street  
Concord, NH 03301  
Attn: Kathleen A. Dunn, MPH  
Associate Commissioner, Medicaid Director

3) The Contractor agrees to use and apply all contract funds from the State for direct and indirect costs and expenses including, but not limited to, personnel costs and operating expenses related to the Services, as detailed in Exhibit B-1 – SFY 2015 and SFY 2016 Budgets and Exhibit B-2 – SFY 2015 and SFY 2016 Budgets. Allowable costs and expenses shall be determined by the State in accordance with applicable state and federal laws and regulations. The Contractor agrees not to use or apply such funds for

Exhibit B – Methods and Conditions Precedent to Payment\_Contractor Initials 



## Exhibit B

capital additions or improvements, entertainment costs, or any other costs not approved by the State. DHHS funding may not be used to replace funding for a program already funded from another source.

- 4) This is a cost-reimbursement contract based on an approved budget for the contract period. Reimbursement shall be made monthly based on actual costs incurred during the previous month.
- 5) Payment will be made by the State agency subsequent to approval of the submitted invoice and if sufficient funds are available in the Service category budget line items submitted by the Contractor to cover the costs and expenses incurred upon compliance with reporting requirements and performance and utilization review. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.
- 6) Contractors are accountable to meet the scope of services. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding. Corrective action may include actions such as a contract amendment or termination of the contract. The contracted organization shall prepare progress reports, as required.
- 7) The Contractor shall have written authorization from the State prior to using contract funds to purchase any equipment with a cost in excess of three hundred dollars (\$300) and with a useful life beyond one year.
- 8) Notwithstanding paragraph 18 of the General Provisions P-37, an amendment limited to adjustments to amounts between and among account numbers, within the price limitation, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

Exhibit B – Methods and Conditions Precedent to Payment\_Contractor Initials

Handwritten initials in black ink, appearing to be 'JHC'.

**Exhibit B-1 (SFY 2015)  
Primary Care Recruitment  
Budget Form**

**New Hampshire Department of Health and Human Services**

**Bidder/Contractor Name:** Bi State Primary Care Association

**Budget Request for:** DHHS Primary Care Provider Recruitment -  
DPHS/RHPC  
*(Name of RFP)*

**Budget Period:** SFY 2015

Line Item	Direct Incurred	Indirect Funds	Total	Allocation Method for Indirect/Funds Cost
1. Total Salary/Wages	\$ 61,138.00	\$ 3,057.00	\$ 64,195.00	5% of direct line
2. Employee Benefits	\$ 14,062.00	\$ 703.00	\$ 14,765.00	5% of direct line
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ -	\$ -	\$ -	
6. Travel	\$ -	\$ -	\$ -	
7. Occupancy	\$ -	\$ 4,091.00	\$ 4,091.00	5% of total direct expenses
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ 6,618.00	\$ 331.00	\$ 6,949.00	5% of direct line item
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$ 81,818.00</b>	<b>\$ 8,182.00</b>	<b>\$ 90,000.00</b>	

**Indirect As A Percent of Direct**

10.0%

*Handwritten initials and date*  
4/23/14

**Exhibit B-1 (SFY 2016)  
Primary Care Provider Recruitment  
Budget Form**

**New Hampshire Department of Health and Human Services**

**Bidder/Contractor Name:** Bi State Primary Care Association

**Budget Request for:** DHHS Primary Care Provider Recruitment -  
DPHS/RHPC  
(Name of RFP)

**Budget Period:** SFY 2016

Line Item	Direct Expenses	Indirect Expenses	Total	Percentage of Total
1. Total Salary/Wages	\$ 62,971.00	\$ 3,149.00	\$ 66,120.00	5% direct line item
2. Employee Benefits	\$ 14,483.00	\$ 724.00	\$ 15,207.00	5% of direct line item
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ -	\$ -	\$ -	
6. Travel	\$ -	\$ -	\$ -	
7. Occupancy	\$ -	\$ 4,091.00	\$ 4,091.00	5% of total direct expenses
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ 4,363.00	\$ 219.00	\$ 4,582.00	5% of direct line item
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$ 81,817.00</b>	<b>\$ 8,183.00</b>	<b>\$ 90,000.00</b>	

Indirect As A Percent of Direct

10.0%

Exhibit B-1 (SFY 2016) - Primary Care Recruitment Budget

Contractor Initials:                     

*Handwritten initials: LHR*

Date:                     

*Handwritten date: 4/23/14*

**Exhibit B-2 (SFY 2015)  
Oral Health Recruitment  
Budget Form**

**New Hampshire Department of Health and Human Services**

**Bidder/Contractor Name:** Bi State Primary Care Association

**Budget Request for:** DHHS Oral Health Provider Recruitment - OMBP  
(Name of RFP)

**Budget Period:** SFY 2015

Line Item	Direct Expenditure	Indirect FTE	Total	Allocation Method
1. Total Salary/Wages	\$ 39,418.00	\$ 1,971.00	\$ 41,389.00	5% of direct line item
2. Employee Benefits	\$ 9,066.00	\$ 453.00	\$ 9,519.00	5% of direct line item
3. Consultants	\$ 19,675.00	\$ 984.00	\$ 20,659.00	5% of direct line item
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 540.00	\$ 27.00	\$ 567.00	5% of direct line item
6. Travel	\$ 1,994.00	\$ 99.00	\$ 2,093.00	5% of direct line item
7. Occupancy	\$ -	\$ 3,864.00	\$ 3,864.00	5% of total direct expenses
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ 6,580.00	\$ 329.00	\$ 6,909.00	5% of direct line item
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$ 77,273.00</b>	<b>\$ 7,727.00</b>	<b>\$ 85,000.00</b>	

**Indirect As A Percent of Direct**

10.0%

Exhibit B-2 (SFY 2015) - Oral Health Recruitment Budget

Contractor Initials: \_\_\_\_\_

Date: \_\_\_\_\_

*Handwritten initials and date*  
4/23/14

**Exhibit B-2 (SFY 2016)  
Oral Health Provider Recruitment  
Budget Form**

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: Bi State Primary Care Association

Budget Request for: DHHS Oral Health Provider Recruitment - OMBP  
(Name of RFP)

Budget Period: SFY 2016

Line Item	Direct Incremental	Indirect Plan	Total	Allocation Method for Indirect Cost
1. Total Salary/Wages	\$ 45,591.00	\$ 2,280.00	\$ 47,871.00	5% of direct line item
2. Employee Benefits	\$ 10,486.00	\$ 524.00	\$ 11,010.00	5% of direct line item
3. Consultants	\$ 16,322.00	\$ 816.00	\$ 17,138.00	5% of direct line item
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 700.00	\$ 35.00	\$ 735.00	5% of direct line item
6. Travel	\$ 2,146.00	\$ 107.00	\$ 2,253.00	
7. Occupancy	\$ -	\$ 4,084.00	\$ 4,084.00	5% of total direct expenses
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ 6,580.00	\$ 329.00	\$ 6,909.00	5% of direct line item
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$ 81,825.00</b>	<b>\$ 8,175.00</b>	<b>\$ 90,000.00</b>	

Indirect As A Percent of Direct

10.0%

*Handwritten initials: JHR*

*Handwritten date: 4/23/14*



### 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 fundors 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 fundors, 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;

*[Handwritten Signature]*



- 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 within 60 days 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.

*JH2*

4/23/14



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. **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

*[Handwritten initials]*



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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.

**FINANCIAL MANAGEMENT GUIDELINES:** Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

**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.

**CONTRACTOR MANUAL:** Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

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

Handwritten initials in black ink, appearing to be 'HHC'.



Exhibit C-1

**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, 30 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 15 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.

3. Extension:

This agreement has the option for a potential extension of up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

4. Insurance

Subparagraph 14.1.1 of the General Provisions of this contract is deleted and the following subparagraph is added:

14.1.1 Comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence and umbrella excess liability coverage in the amount of \$1,000,000 per occurrence, and

*[Handwritten initials]*

4/23/14



**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 GRANTEEES 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

*JH*  
4/23/14



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.

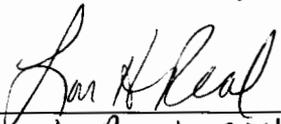
Place of Performance (street address, city, county, state, zip code) (list each location)

525 Clinton Street  
Bow, NH 03304

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

Contractor Name: Bi State Primary Care Association

Date 4/23/14

  
Name: Lori H. Real, MHA, ~~MD~~  
Title: Chief Operatry Officer

Contractor Initials   
Date 4/23/14



**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: Bi State Primary Care Association

4/23/14  
Date

  
Name: Lori H. Real, MHA  
Title: Chief Operating Officer

Contractor Initials LHR

Date 4/23/14



**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 (1)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name: Bi State Primary Care Association

Date 4/23/14

  
Name: Lori H. Real, MHA  
Title: Chief Operating Officer

Contractor Initials   
Date 4/23/14



**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name: Bi State Primary Care Association

4/23/14  
Date

  
Name: Lori H. Real, MHA  
Title: Chief Operating Officer

  
Contractor Initials  
Date 4/23/14



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

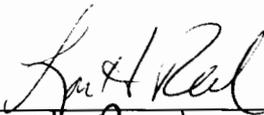
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, 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: Bi State Primary Care Association

Date 4/23/14

  
Name: Lori H. Real, MHA  
Title: Chief Operating Officer

Contractor Initials   
Date 4/23/14



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

- 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.

**(3) 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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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

*hbc*



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

  
Date 4/23/14



Exhibit I

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

**(4) Obligations of Covered Entity**

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

**(5) Termination for Cause**

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

**(6) Miscellaneous**

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



Exhibit I

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

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

Department of Health and Human Svcs  
The State

*Brook Dupee*  
Signature of Authorized Representative

Brook Dupee  
Name of Authorized Representative

Bureau Chief  
Title of Authorized Representative

5/5/14  
Date

Bi State Primary Care Association  
Name of the Contractor

*Lori H. Real*  
Signature of Authorized Representative

Lori H. Real  
Name of Authorized Representative

Chief Operating Officer  
Title of Authorized Representative

4/23/14  
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.

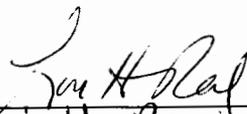
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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: Bi State Primary Care Association

Date 4/23/14

  
Name: Lori H. Real  
Title: Chief Operating 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: 939836698
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:

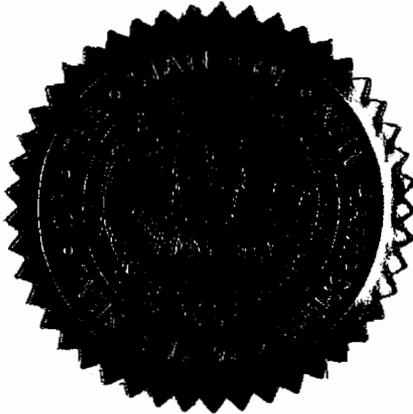
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____

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 Bi-State Primary Care Association, Inc. is a New Hampshire nonprofit corporation formed January 31, 1986. 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 11<sup>th</sup> day of April A.D. 2014

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

William M. Gardner  
Secretary of State

Without Seal

## Certificate of Vote

I, Gail Auclair, of Bi-State Primary Care Association, do hereby certify that:

1. I am the duly elected secretary of the Board of Directors.
2. The following are true copies of two resolutions duly adopted via an email vote of the Board of Directors of the Board of Directors held on April 23, 2014.

Resolved: This Corporation may enter into any and all contracts, amendments, renewals, revisions or modifications thereto, with the State of NH, acting through its Division of Public Health Services of its Department of Health and Human Services.

Resolved: That the President and Chief Executive Officer, Tess Stack Kuenning, CNS, MS, RN or her designee, is hereby authorized on behalf of this corporation to enter into said contract with the state and to execute any or all document, agreements, and other instruments; and any amendments, revisions, or modifications thereto, as she or her designee deems necessary, desirable, or appropriate. Lori H. Real, Chief Operating Officer is the authorized designee for Tess Stack Kuenning.

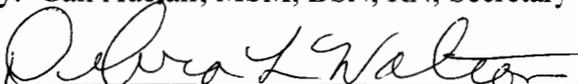
3. The forgoing resolutions have not been amended or revoked and remain in full force and effect as of April 23, 2014.

In witness whereof, I have hereunto set my hand as the Secretary of the corporation on this 23<sup>rd</sup> day of April 2014.

  
\_\_\_\_\_  
Signature: Gail Auclair, MSM, BSN, RN, Secretary

State of Vermont  
County of Orange

The forgoing instrument was acknowledged before me on the 23<sup>rd</sup> day of April 2014.  
By: Gail Auclair, MSM, BSN, RN, Secretary

  
\_\_\_\_\_  
Signature: Notary Public/Justice of the Peace

My Commission Expires: 2/10/2015



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/9/2014

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).

<b>PRODUCER</b> FIAI/Cross Insurance 1100 Elm Street  Manchester NH 03101		<b>CONTACT NAME:</b> Kari Reeves <b>PHONE (A/C No. Ext):</b> (603) 669-3218 <b>FAX (A/C No.):</b> (603) 645-4331 <b>E-MAIL ADDRESS:</b> kreeves@crossagency.com																						
<b>INSURED</b> BI-STATE PRIMARY CARE ASSOC 525 CLINTON STREET  BOW NH 03304		<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A:</td> <td>Peerless Indemnity Ins Co</td> <td>18333</td> </tr> <tr> <td>INSURER B:</td> <td>Peerless Insurance Company</td> <td>24198</td> </tr> <tr> <td>INSURER C:</td> <td></td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Peerless Indemnity Ins Co	18333	INSURER B:	Peerless Insurance Company	24198	INSURER C:			INSURER D:			INSURER E:			INSURER F:		
INSURER(S) AFFORDING COVERAGE		NAIC #																						
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INSURER C:																								
INSURER D:																								
INSURER E:																								
INSURER F:																								

**COVERAGES**      **CERTIFICATE NUMBER:** 13-14 BOP & WC      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			BOP9877719	7/1/2013	7/1/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MEDEXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
A	<b>AUTOMOBILE LIABILITY</b> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			BOP9877719	7/1/2013	7/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ HNO Liability \$ 1,000,000
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$ 10,000			CU9878119	7/1/2013	7/1/2014	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WC9878019 (3a.) NH & VT All officers included	7/1/2013	7/1/2014	<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

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
Refer to policy for exclusionary endorsements and special provisions.

<b>CERTIFICATE HOLDER</b>		<b>CANCELLATION</b>	
NMartin@dhhs.state.nh.us  Department of Public Health Services NH DHHS 129 Hazen Drive Concord, NH 03301-6504		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  R Kittle, LPCS, CLCS/ <i>Robin Kittle</i>	

BI-STATE PRIMARY CARE ASSOCIATION, INC.  
AUDITED FINANCIAL STATEMENTS  
JUNE 30, 2013 AND 2012

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**BRAD BORBIDGE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS  
197 LOUDON ROAD, SUITE 350  
CONCORD, NEW HAMPSHIRE 03301

TELEPHONE 603/224-0849  
TELEFAX 603/224-2397

Independent Auditor's Report

Board of Directors  
Bi-State Primary Care Association, Inc.  
Bow, New Hampshire

We have audited the accompanying financial statements of Bi-State Primary Care Association, Inc. as of June 30, 2013 and 2012, 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 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 opinions.

#### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bi-State Primary Care Association, Inc. as of June 30, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Other Matters*

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 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, 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 schedule of expenditures of federal awards 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 7, 2013, on our consideration of the Association'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

A handwritten signature in black ink, appearing to read "A. D. Duff", is located on the right side of the page.

Concord, New Hampshire  
October 7, 2013

BI-STATE PRIMARY CARE ASSOCIATION, INC.

BALANCE SHEETS

JUNE 30, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets		
Cash and cash equivalents	\$ 958,255	\$ 777,380
Grants and other receivables	185,345	110,302
Prepaid expenses	<u>32,104</u>	<u>29,994</u>
Total Current Assets	1,175,704	917,676
Investments	96,185	89,887
Property And Equipment, Net	<u>434,298</u>	<u>461,476</u>
TOTAL ASSETS	<u>\$ 1,706,187</u>	<u>\$ 1,469,039</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 190,379	\$ 150,388
Accrued payroll and related expense	149,758	142,619
Deferred revenue	19,955	7,500
Current maturities of long-term debt	<u>7,455</u>	<u>7,455</u>
Total Current Liabilities	367,547	307,962
Long-term Debt, Less Current Maturities	<u>202,850</u>	<u>219,443</u>
Total Liabilities	570,397	527,405
Net Assets		
Unrestricted	<u>1,135,790</u>	<u>941,634</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,706,187</u>	<u>\$ 1,469,039</u>

(See accompanying notes to these financial statements)

BI-STATE PRIMARY CARE ASSOCIATION, INC.  
STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS  
JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Operating Revenue		
Grant revenue	\$ 3,190,906	\$ 2,980,592
Dues income	238,501	215,374
Other revenue	254,718	205,224
	<u>3,684,125</u>	<u>3,401,190</u>
Operating Expenses		
Salaries and related expense	1,741,828	1,693,713
Other operating expenses	1,701,535	1,564,458
Interest expense	12,479	13,058
Depreciation	41,078	46,783
	<u>3,496,920</u>	<u>3,318,012</u>
OPERATING INCOME	187,205	83,178
Other Revenue and Gains		
Investment income	4,955	4,609
EXCESS OF REVENUE OVER EXPENSES	192,160	87,787
Change in unrealized gain on investments	1,996	(578)
Grants received for capital acquisitions	-	1,641
INCREASE IN UNRESTRICTED NET ASSETS	194,156	88,850
Net assets, beginning of year	<u>941,634</u>	<u>852,784</u>
NET ASSETS, END OF YEAR	<u>\$ 1,135,790</u>	<u>\$ 941,634</u>

(See accompanying notes to these financial statements)

BI-STATE PRIMARY CARE ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 194,156	\$ 88,850
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	41,078	46,783
Change in unrealized gains on investments	(1,996)	578
Grants received for capital acquisitions	-	(1,641)
(Increase) decrease in the following assets:		
Grants and other receivables	(75,043)	106,939
Prepaid expenses	(2,110)	3,293
Increase (decrease) in the following liabilities:		
Accounts payable	39,991	(205,723)
Accrued payroll and related expenses	7,139	5,431
Deferred revenue	12,455	7,500
Net Cash Provided By Operating Activities	<u>215,670</u>	<u>52,010</u>
Cash Flows From Investing Activities		
Purchase of investments	(4,302)	(4,015)
Capital acquisitions	<u>(13,900)</u>	<u>(17,384)</u>
Net Cash Used By Investing Activities	<u>(18,202)</u>	<u>(21,399)</u>
Cash Flows From Financing Activities		
Principal payment on long-term debt	(16,593)	(7,015)
Grants received for capital acquisitions	<u>-</u>	<u>1,641</u>
Net Cash Used By Financing Activities	<u>(16,593)</u>	<u>(5,374)</u>
Net Increase in Cash and Cash Equivalents	180,875	25,237
Cash and Cash Equivalents, Beginning of Year	<u>777,380</u>	<u>752,143</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 958,255</u>	<u>\$ 777,380</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	\$ 12,479	\$ 13,058

(See accompanying notes to these financial statements)

BI-STATE PRIMARY CARE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Bi-State Primary Care Association, Inc., "the Association", is a non-stock, non-profit corporation organized in New Hampshire. The Association's mission is to foster the delivery of primary and preventive health services with special emphasis on the medically underserved, and its vision is to promote health care access for all.

On June 11, 2012, the Association formed Community Health Accountable Care, LLC, "CHAC", a limited liability company, in the State of Vermont. The purpose of the organization is to conduct health system transformation through innovative models of payment. The fiscal year of CHAC ends on June 30th of each year. Tax payer identification has been established, although no business has been conducted.

On October 17, 2012, Association executed an operating certificate for the formation of Center for Primary Health Care Solutions, LLC, "CPHCS" in the State of New Hampshire to provide health care industry services and other industry-related consulting services. The fiscal year of CPHCS ends on June 30th of each year. Tax payer identification has been established, although no business has been conducted.

Income Taxes

The Association is a public charity under Section 501 (c)(3) of the Internal Revenue Code. As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with its tax exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association's tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Management believes the Association is no longer subject to income tax examinations for years prior to 2010.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Use of 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.

### Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use. Short-term highly liquid investments with an original maturity of more than three months are classified as temporary investments.

### Investments

Investments in equity and debt securities are reported at fair value. Investment income, realized gains and losses, and other than temporary impairments on investments are included in the excess of revenue over expenses unless otherwise stipulated by the donor or State law. Unrealized gains and losses are reported as an increase or decrease in unrestricted net assets, unless otherwise stipulated by the donor or State law. The Association reviews investments where the fair value is significantly below cost and in cases where the decline is considered to be other than temporary, an adjustment is recorded to reflect this amount in the excess of revenue over expenses.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets, statements of operations, and changes in net assets

### Property and Equipment

Property and equipment are carried at cost. Maintenance repairs and minor renewals are expensed as incurred and renewals and betterments are capitalized. Depreciation is computed on the straight-line method and is provided over the estimated useful life of each class of depreciable asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Association has been limited by grantors or donors to a specific time-period or purpose. There were no temporarily restricted net assets at June 30, 2013 and 2012.

Permanently restricted net assets have been restricted by donors to be maintained by the Association in perpetuity. There were no temporary or permanently restricted net assets at June 30, 2013 or 2012.

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 the donated assets. When a donor restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

NOTE 2 GRANTS AND OTHER RECEIVABLES AND DEFERRED REVENUE

The Association provides services to promote health care access through numerous federal, state and private grants. At June 30, 2013 and 2012, the Association has the following relating to grant activity:

	<u>2013</u>	<u>2012</u>
Grant and member services billed and not received	\$ 189,884	\$ 69,402
Grant appropriation not billed	2,252,887	1,959,990
Grant deferred revenue, not earned	<u>(2,257,426)</u>	<u>(1,919,090)</u>
Net grants and other receivables	<u>\$ 185,345</u>	<u>\$ 110,302</u>

### NOTE 3 INVESTMENTS

Investments are stated at fair value and consisted of fixed income mutual funds at June 30, 2013 and 2012.

Financial accounting standards established a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows:

- Level 1 inputs - quoted prices traded daily in an active market.
- Level 2 inputs - other than quoted prices for active markets that are traded less frequently than daily
- Level 3 inputs - unobservable inputs

An investment's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The fair market value of the Association's investments is measured on a recurring basis using level 1 inputs.

### NOTE 4 PROPERTY AND EQUIPMENT

The cost and accumulated depreciation of property and equipment at June 30, 2013 and 2012 follows:

	<u>2013</u>	<u>2012</u>
Land	\$ 50,000	\$ 50,000
Building and improvements	412,039	412,039
Furniture and equipment	<u>79,782</u>	<u>65,882</u>
Total cost	541,821	527,921
Less accumulated depreciation	<u>107,523</u>	<u>66,445</u>
Furniture and Equipment, Net	<u>\$ 434,298</u>	<u>\$ 461,476</u>

### NOTE 5 LINE OF CREDIT

The Association has renewed a \$100,000 unsecured revolving line of credit with a local bank through December 2013. The interest rate on the line of credit is Prime plus 1% with a 5% floor (5% at June 30, 2013). There was no outstanding balance on the line of credit at June 30, 2013 and 2012. The line of credit was not utilized at any time during the years ended June 30, 2013 and 2012.

NOTE 6 LONG-TERM DEBT

A summary of the mortgage payable at June 30, 2013 and 2012 follows:

	<u>2013</u>	<u>2012</u>
Mortgage payable, with a local bank, at a fixed interest rate of 5.66% through August, 2015, at which time the interest rate will reset every five years. Monthly payments of \$1,673 are due through August, 2030. The mortgage is secured by real estate.	\$ 210,305	\$ 226,898
Less current maturities	<u>7,455</u>	<u>7,455</u>
Long-term Debt Excluding Current Maturities	<u>\$ 202,850</u>	<u>\$ 219,443</u>

Scheduled payments on long-term debt obligations for the next five years and thereafter follows:

<u>Year Ending June 30,</u>	<u>Long-term Debt</u>
2014	\$ 7,445
2015	8,347
2016	8,832
2017	9,345
2018	9,888
Thereafter	<u>166,448</u>
Total	<u>\$ 210,305</u>

NOTE 7 FUNCTIONAL EXPENSES

The Association provides services to promote health care access. Expenses related to providing these services for the years ended June 30, 2013 and 2012 follows:

	<u>2013</u>	<u>2012</u>
Program services	\$ 2,907,166	\$ 2,758,192
Administrative and general	<u>589,754</u>	<u>559,820</u>
Total Expenses	<u>\$ 3,496,920</u>	<u>\$ 3,318,012</u>

#### NOTE 8 RETIREMENT PLAN

The Association offers a defined contribution plan to eligible employees. The Association's contributions to the plan for the years ended June 30, 2013 and 2012 amounted to \$55,499 and \$51,518, respectively.

#### NOTE 9 COMMITMENTS

Leases that do not meet the criteria for capitalization are classified as operating leases with related rentals charged to operations as incurred.

The following is a schedule by year of future minimum lease payments under operating leases for the Vermont business office at the year ended June 30, 2013, that have initial or remaining lease terms in excess of one year.

<u>Year Ending</u> <u>June 30,</u>	<u>Minimum</u> <u>Lease</u> <u>Payments</u>
2014	\$ 34,800
2015	36,024
2016	<u>37,284</u>
Total	<u>\$ 108,108</u>

Rental expense amounted to \$42,810 and \$31,519 for the years ended June 30, 2013 and 2012, respectively.

#### NOTE 10 CONCENTRATION OF RISK

The Association cash deposits in a major financial institution in excess of \$250,000, which exceeds federal depository insurance limits. During 2013, the Association entered into an agreement with the bank to remove cash not covered by FDIC insurance from the bank's accounts and place this cash in high-yield savings accounts in other FDIC insured institutions. This strategy is endorsed by the American Banking Association. The bank provides monthly reporting.

#### NOTE 11 PRIOR YEAR COMPARATIVE AMOUNTS

Certain prior year comparative amounts have been reclassified to be consistent with current year presentations.

#### NOTE 12 SUBSEQUENT EVENTS

For financial reporting purposes, subsequent events have been evaluated by management through October 7, 2013, which is the date the financial statements were available to be issued.

BI-STATE PRIMARY CARE ASSOCIATION, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013

Federal Grantor Pass-through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services			
Direct Programs			
Integrated Community Systems for CSHCN	93.110		\$ 55,271
State and Regional Primary Care Associations	93.129		1,054,500
Telehealth Network Grant	93.211		85,889
ARRA Health Information Technology Implementation	93.703		972,530
Rural Health Care Services Outreach Grant	93.912		129,715
Rural Health Network Development Planning	93.912		<u>65,484</u>
Total direct programs			<u>2,363,389</u>
Pass-through programs from:			
State of New Hampshire Department of Health and Human Services			
Oral Health Workforce Activities	93.236	90080500	36,954
Recruit Healthcare Professionals to Medically Underserved areas in NH	93.778	90075001	33,629
Oral Health Professional Recruitment Services	93.778	9561044	29,593
State of Vermont Department of Health			
Healthcare Infrastructure and Workforce	93.224	03420-6068S	3,000
Ladies First Program	93.283	03420-6023S	57,180
National Health Service Corps Activity	93.414	03420-5869S	6,336
Health Outreach Services	93.778	03420-6092S	26,190
Community Education Campaign	93.778	03420-5913S	22,000
State of Vermont Department of Vermont Health Access			
ARRA Grant for Health Information and Technology Initiative	93.778	03410-249-11	23,539
University of Colorado Denver			
Scalable Architecture for Federated Therapeutic Inquires Network	93.715		7,176
Community Health Access Network Health Center Controlled Networks	93.527		<u>38,866</u>
Total pass-through programs			<u>284,463</u>
Total Expenditures of Federal Awards			<u>\$ 2,647,852</u>

The accompanying notes are an integral part of this schedule.

BI-STATE PRIMARY CARE ASSOCIATION, INC.  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards, "the Schedule", includes the federal grant activity of Bi-State Primary Care Association, Inc., "the Association", under programs of the federal government for the year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Association, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Association.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3 SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the Association provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Integrated Community Systems for CSHCN	93.110	\$ 17,000
Ladies First Program	93.283	37,180
ARRA Grant for Health Information and Technology Initiative	93.778	99,716
Health Outreach Services	93.778	23,123
Rural Health Care Services Outreach Grant	93.912	101,624

**BRAD BORBIDGE, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS  
197 LOUDON ROAD, SUITE 350  
CONCORD, NEW HAMPSHIRE 03301  

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TELEPHONE 603/224-0849  
TELEFAX 603/224-2397

Independent Auditor's 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  
Bi-State Primary Care Association, Inc.  
Bow, New Hampshire

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 Bi-State Primary Care Association, Inc. ("the Association"), which comprise the balance sheets as of June 30, 2013, and the related statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2013.

*Internal Control Over Financial Reporting*

In planning and performing our audit of the financial statements, we considered the Association'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 Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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.

#### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the Association'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.

A handwritten signature in black ink, appearing to read "A. O. O'Neil", is located in the lower right quadrant of the page.

Concord, New Hampshire  
October 7, 2013

**BRAD BORBIDGE, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS  
197 LOUDON ROAD, SUITE 350  
CONCORD, NEW HAMPSHIRE 03301  

---

TELEPHONE 603/224-0849  
TELEFAX 603/224-2397

Independent Auditor's Report on Compliance for Each Major Federal  
Program and Report on Internal Control Over Compliance

Board of Directors  
Bi-State Primary Care Association, Inc.  
Bow, New Hampshire

*Report on Compliance for Each Major Federal Program*

We have audited the compliance of Bi-State Primary Care Association, Inc. ("the Association") 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, 2013. The Organization's major federal programs are identified in the summary of auditor's 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.

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the Association'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 Association'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 Association's compliance.

#### *Opinion on Each Major Federal Program*

In our opinion, the Association 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, 2013.

#### *Report on Internal Control Over Compliance*

Management 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 Association'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 Association'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 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.

*Purpose of this Report*

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.

A handwritten signature in black ink, appearing to read "A. O'Neil", is located in the upper right quadrant of the page.

Concord, New Hampshire  
October 7, 2013

BI-STATE PRIMARY CARE ASSOCIATION, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2013

Section I - Summary of Auditor's Results

A. Financial Statements

1. Type of auditor's report issued	Unmodified
2. Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified that are not considered material weaknesses?	No
3. Noncompliance material to financial statements noted?	No

B. Federal Awards

1. Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiencies identified that are not considered material weaknesses?	No
2. Type of auditor's report issued on compliance for major programs	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No

C. Major Programs

State and Regional Primary Care Associations	93.129
ARRA Health Information Technology Implementation	93.703

D. Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
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E. Auditee qualified as low-risk auditee?	Yes
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BI-STATE PRIMARY CARE ASSOCIATION, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013

Section II - Findings and Questioned Costs

A. Financial Statements

There were no financial statement findings for the year ended June 30, 2013.

B. Federal Awards

There were no federal awards findings for the year ended June 30, 2013.

Section III - Prior Findings and Questioned Costs for the Year Ended June 30, 2012

There were no prior financial statement or federal award audit findings for the year ended June 30, 2012.

**525 Clinton Street  
Bow, NH 03304**  
Voice: 603-228-2830  
Fax: 603-228-2464

**BI-STATE PRIMARY CARE ASSOCIATION**



**SERVING VERMONT & NEW HAMPSHIRE**

[www.bistatepca.org](http://www.bistatepca.org)

**61 Elm Street  
Montpelier, VT 05602**  
Voice: 802-229-0002  
Fax: 802-223-2336

## **Bi-State Primary Care Association**

### **Mission**

*Promote access to effective and affordable primary care and preventive services for all, with special emphasis on underserved populations in New Hampshire and Vermont.*

### **Vision**

*Healthy individuals and communities with quality health care for all.*

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## 2014 Board of Directors

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### Officers

#### ***Chair***

Edward Shanshala, II, MSHSA, MS.Ed  
Executive Director/Chief Executive Officer  
Ammonoosuc Community Health Services

#### ***Vice Chair***

Kevin J. Kelley, MS, CMPE  
Chief Executive Officer  
Community Health Services of Lamoille Valley

#### ***Immediate Past Chair***

Grant Whitmer, MSM, CMPE  
Executive Director  
Community Health Centers of the Rutland Region

#### ***Secretary***

Gail Auclair, MSM, BSN, RN  
Chief Executive Officer  
Little Rivers Health Care

#### ***Treasurer***

Marianne Savarese, RN, BSN  
Project Director  
Health Care for the Homeless Program

### Directors

Paul Bengtson, Chief Executive Officer  
Northeastern Vermont Regional Hospital

Jack Donnelly, Executive Director  
Community Health Centers of Burlington

Janet Laatsch, BSN, MBA - Executive Director  
Goodwin Community Health

Pamela Parsons, Executive Director  
Northern Tier Center for Health

Richard Silverberg, LICSW - Executive Director  
Health First Family Care Center

Helen Taft, Executive Director  
Families First Health & Support Center

Adele Woods, MS - Chief Executive Officer  
Coos County Family Health Services

# KEY ADMINISTRATIVE PERSONNEL

## NH Department of Health and Human Services

**Contractor Name:** Bi State Primary Care Association

**Name of Division/Bureau:** DHHS Primary Care Provider Recruitment - DPHS/RHPC

<b>BUDGET PERIOD:</b>		<b>SFY 15</b>		
<b>NAME</b>	<b>JOB TITLE</b>	<b>SALARY</b>	<b>PERCENT PAID FROM THIS CONTRACT</b>	<b>AMOUNT PAID FROM THIS CONTRACT</b>
Stephanie Pagliuca	Director	\$79,626	3.76%	\$3,000.00
Mandi Gingras	Recruitment/Retention Coord	\$46,654	84.00%	\$39,379.00
Claire Hodgman	Data/Marketing Coordinator	\$48,651	38.50%	\$18,759.00
		\$0	0.00%	
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$61,138.00</b>

<b>BUDGET PERIOD:</b>		<b>SFY 16</b>		
<b>NAME</b>	<b>JOB TITLE</b>	<b>SALARY</b>	<b>PERCENT PAID FROM THIS CONTRACT</b>	<b>AMOUNT PAID FROM THIS CONTRACT</b>
Stephanie Pagliuca	Director	\$82,015	3.76%	\$3,090.00
Mandi Gingras	Recruitment/Retention Coord	\$48,054	84.00%	\$40,560.00
Claire Hodgman	Data/Marketing Coordinator	\$50,111	38.50%	\$19,321.00
		\$0	0.00%	\$0.00
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$62,971.00</b>

**Name of Division/Bureau:** DHHS Oral Health Provider Recruitment - OMBP

<b>BUDGET PERIOD:</b>		<b>SFY 15</b>		
<b>NAME</b>	<b>JOB TITLE</b>	<b>SALARY</b>	<b>PERCENT PAID FROM THIS CONTRACT</b>	<b>AMOUNT PAID FROM THIS CONTRACT</b>
Stephanie Pagliuca	Director	\$79,626	18.66%	\$14,864.00
Mandi Gingras	Recruitment/Retention Coord	\$46,654	14.00%	\$6,563.00
Claire Hodgman	Data/Marketing Coordinator	\$48,651	36.90%	\$17,991.00
		\$0	0.00%	\$0.00
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$39,418.00</b>

<b>BUDGET PERIOD:</b>		<b>SFY 16</b>		
<b>NAME</b>	<b>JOB TITLE</b>	<b>SALARY</b>	<b>PERCENT PAID FROM THIS CONTRACT</b>	<b>AMOUNT PAID FROM THIS CONTRACT</b>
Stephanie Pagliuca	Director	\$82,015	18.66%	\$15,309.00
Mandi Gingras	Recruitment/Retention Coord	\$48,054	24.37%	\$11,711.00
Claire Hodgman	Data/Marketing Coordinator	\$50,111	37.05%	\$18,571.00
		\$0	0.00%	\$0.00
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$45,591.00</b>

# Stephanie C. Pagliuca

c/o Bi-State Primary Care Association  
525 Clinton Street  
Bow, NH 03304

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## SUMMARY OF QUALIFICATIONS

- Able to work independently and as an effective team member
- Experienced in the design, implementation and evaluation of programs and initiatives
- Effective in building and managing partnerships
- Thoughtful, balanced approach to decision making
- Strategic thinker; able to see the big picture yet attentive to detail
- Strong oral and written communication skills

## RELEVANT EMPLOYMENT

### BI-STATE PRIMARY CARE ASSOCIATION Concord, New Hampshire/ Montpelier, Vermont

1994 - Present

#### Director, NH/VT Recruitment Center

2003 - Present

Manage and oversee Bi-State's Recruitment Center, a service focused on the recruitment and retention of primary care and oral health professionals to work in rural and underserved areas of New Hampshire and Vermont. Supervise four employees and two independent contractors in two states. Write and manage grants from public and private organizations including: the Bureau of Primary Health Care, the State of New Hampshire, the Endowment for Health, Northeast Delta Dental Foundation and the State of Vermont. Obtained over \$260,000 in new grants in a one-year period. Manage \$375,000+ in grant funds annually.

#### Program Manager, NH Recruitment Center

1998 - 2003

Developed and implemented a business plan to expand the scope of the Recruitment Center's services. Designed, planned and facilitated regional recruitment conferences for in-house and non-profit recruiters. Facilitated collaboration between the NH Dental Society, NH Dental Hygienists' Association and other key stakeholders that resulted in the development of a comprehensive workforce survey of the state's licensed dentists and hygienists. Created and provided educational sessions at various regional conferences and meetings on topics related to recruitment, including the national and local trends affecting the recruitment of a qualified healthcare workforce.

#### Program Coordinator, NH Recruitment Center

1994 - 1998

Established and managed a client base of 35+ organizations throughout the state. Provided candidate referrals and technical assistance to clients on methods for successful recruitment of primary care providers. Maintained relationships with representatives from professional associations and health professional training programs to support recruitment of needed health professionals. Created and implemented an annual marketing plan to attract clinicians to the state. Wrote ad copy and participated in the design of marketing collateral including flyers, brochures and direct mail pieces. Created displays and participated in local and national trade shows.

### OXFORD HEALTH PLAN

March - October 1994

Nashua, New Hampshire

#### Customer Service Associate

Provided customer service and support to health plan members regarding health benefits, eligibility and medical claims. Processed medical claims at 97% rate of accuracy.

## EDUCATION

Bachelor of Arts Degree, Communications

Notre Dame College, Manchester, NH

**MANDI GINGRAS**  
Bi-State Primary Care Association  
525 Clinton Street, Bow NH 03304

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**PROFESSIONAL EXPERIENCE**

**Recruitment & Retention Coordinator**  
**Bi-State Primary Care Association, Bow, NH**  
February 2014 to Present

Responsible for conducting all recruitment, placement and retention activities to support and enhance the delivery of primary health care in New Hampshire and Vermont with particular emphasis on the needs of medically underserved areas and populations. Providing all candidate referrals and technical assistance for organizations to increase their capacity/knowledge/ability to effectively recruit and retain health professionals. Participating in the development and implementation of statewide strategies to strengthen efforts to recruit and retain health professionals.

**Independent Contractor (OH Recruiter, Workforce Consultant)**  
**Bi-State Primary Care Association, Bow, NH**  
January 2007 to January 2014

Workforce Consultant (July 2011 - January 2014): The contract as the Oral Health Workforce Consultant involved pipeline development and dentist recruitment. Responsibilities included:

- Developing and maintaining relationships with regional dental schools and pre-dental programs with NH colleges.
- Organizing and conducting presentations to dental students and pre-dental students to promote the field of dentistry and support future recruitment to NH.
- Researching and tracking dentist vacancies in NH and recruiting new clients to utilize recruitment services.
- Providing technical and admin support in the development of a future dental school scholarship program.
- Recruiting NH dentists to the Ambassador Program.

Oral Health Recruiter (January 2007- June 2011): The 4.5 year contract involved setting up a new division of the Recruitment Center in the oral health professional field. Responsibilities as the Oral Health Recruiter included:

- Administrative and marketing implementation to support the development of the oral health program.
  - Conducting research to identify job opportunities for dentists in NH.
  - Providing technical recruitment assistance to clients with dentist vacancies and performing job site visits.
  - Participating in oral health meetings, trade show exhibits and coordinating presentations at dental schools.
  - Recruiting NH dentists to the Ambassador Program and sending communications and quarterly progress summaries to the dentist ambassadors.
  - Facilitating communications, job shadowing and site visits between dental students and dentist ambassadors.
  - Interviewing, screening and matching potential candidates with job opportunities and providing resume development assistance as needed.
  - Providing narrative quarterly reports as required under grant contract.
  - Additional administrative responsibilities included: maintaining recruitment database; setting up and maintaining client and candidate files; designing/preparing and coordinating marketing pieces, direct mail campaigns, advertisements and all outgoing communications; preparing forms and presentation materials; scheduling and coordinating meetings, presentations, exhibits and site visits; researching social networking sites to develop a social marketing plan to enhance recruitment.
-

**Independent Consultant and Team Leader**  
**The Body Shop**  
April 2003 to November 2005

Direct Sales Division of multi-channel company offering bath and body products. Leadership role consisted of recruiting and training new consultants and managing team development, while holding both personal and central team sales goals. Coordinated and presented training seminars at monthly team meetings, district team meetings, and district manager meetings on topics such as recruitment, leadership, product knowledge, and direct sales techniques.

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**Independent Design Consultant and Instructor**  
**Custom Corner**  
October 2001 to July 2003

Direct Sales company offering fabric, accessories, and custom fabric items. Conducted in-home decorating workshops and seminars. Received training on interior decorating, direct sales techniques, recruitment and leadership skills. In 2002 and 2003, personally conducted corporate training sessions at monthly district meetings and annual national conferences on such topics as recruitment, time management, workshop and sales techniques.

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**ADDITIONAL SKILLS**

Direct experience with website development and management as well as graphic design of marketing materials. Proficient in computer applications and multiple interior design, graphic design and photo enhancing software systems. Experience with social media communications and applications.

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**EDUCATION**

**Bradley University, Peoria, IL**  
1989 - 1990  
English major with a minor in Business Management

**Blackburn College, Carlinville, IL**  
1988 - 1989  
Psychology major with a minor in Written Communication & English

**Continuing Education**  
2002 - 2013

Conference, tele-conference, webinars and classroom instruction on business development, sales, recruitment, management and leadership skills.  
Certified in Real Estate Staging and ReDesign.

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**Claire Hodgman**  
**c/o Bi-State Primary Care Association**  
**525 Clinton Street**  
**Bow, NH 03304**

**Objective**            A challenging position, with the opportunity for professional growth based upon performance that will utilize my abilities developed through my education and experience.

**Experience**

**2001 - Present**            Bi-State Primary Care Association – New Hampshire Recruitment Center Program  
Concord, NH

**Data and Marketing Coordinator**

Responsible for the successful upgrade of database systems that accurately report data and facilitate the recruitment and retention of providers. Maintain NHRC databases and provide support in the collection of its data. Oversee the NHRC computer system network, including program backups, software research, negotiation and installation, and training for NHRC program. Maintain and report accurate information on the status of candidates and sites to support successful provider placements. Coordinate NHRC marketing activities including the design, layout and development of the newsletter, marketing tools, and advertisements. Research and coordinate advertising opportunities to promote the NHRC program. Coordinate information packets for sites, candidates and members. Assist in the preparation of presentations and conference displays for the NHRC program, designing and coordinating the production of appropriate tools such as placement and vacancy maps. Coordinate, maintain and manage candidate mailings. Assist in the ongoing operations of the NHRC program and the development and implementation of new systems and initiatives. Assist in performing administrative support as necessary.

**1995 - 2001**            Bi-State Primary Care Association – New Hampshire Recruitment Center Program  
Concord, NH

**Administrative Assistant**

Responsible for the daily administrative/operational activities that support the Recruitment Center Program in its effort to recruit and retain primary care providers and other specialties in New Hampshire. Respond to all requests for information (fax, phone, email, and correspondence) from sites and candidates. Maintain accurate information on the status of candidates and sites to ensure successful placements. Tracking and processing of membership dues and charting all relevant information relating to recruitment statistics. Preparing, collating, and mailing of the "NH Recruiter" newsletter. Tracking and generating monthly and yearly statistical and financial reports. Provide maintenance, including backup and technical support for computers and printing equipment. Maintain program databases and files that facilitate the recruitment and retention of providers. Provide administrative support to the NH State Affairs Manager. Assist with the planning and scheduling of all organizational workshops, conferences, and newsletters.

**1993 - 1994**

Olsten Staffing Services  
Bedford, NH

**Temporary Worker**

- Globe Firefighter's Suite, Pittsfield, NH - Responsible for the re-structure of the filing system. Input of various data as assigned. Provided technical support for Lotus users.
- Healthsource, Inc., Hooksett, NH - Responsible for the posting and delivery of all incoming and outgoing mail. Provided technical support to various staff members as assigned.

**1992 - 1993**

Cumberland Farms  
Concord, NH

**Cashier**

- Day to day customer service work. Responsible for handling of monetary transactions. Maintaining a daily inventory and operating the NH State Lottery machine. Participated in the daily upkeep of the premises.

**Education**

**1995**

NH Technical Institute  
Concord, NH

Associate in Science, Major: Business Administration with Specialization in Management

- Graduated with honors. Dean's list: 1992, 1993, 1994, 1995

**References**

Available upon request