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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF DEVELOPMENTAL SERVICES

Nicholas A. Toumpas  
Commissioner

Kathleen A. Dunn  
Associate  
Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-5034 1-800-852-3345 Ext. 5034  
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June 3, 2015

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Bureau of Developmental Services to exercise a renewal option to an existing Agreement with Coos County Family Health Services, Inc., 54 Willow Street, Berlin, New Hampshire 03570, Vendor Number 155327-B001, to provide a Registered Nurse to be the Nurse Coordinator for the Berlin Neuromotor Disabilities Clinical Program that provides community-based evaluation and consultation services for children with neuromotor disabilities and their by increasing the price limitation by \$41,461.78 from \$42,332.00 to an amount not to exceed \$83,793.78, and extending the completion date from June 30, 2015 to June 30, 2017, effective July 1, 2015 or on the date of Governor and Council approval, whichever is later. The Agreement was approved by Governor and Executive Council on July 10, 2013 (Item #54). 30% Federal Funds, 70% General Funds.

Funds to support this request are anticipated to be available in the following accounts in State Fiscal Years 2016 and 2017, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and to adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified, without approval from Governor and Executive Council.

05-95-93-930010-5191 DEPT. OF HEALTH AND HUMAN SERVICES, HHS: DEVELOPMENTAL SERVICES-DIV OF, DIV OF DEVELOPMENTAL SVSC, SPECIAL MEDICAL SERVICES

State Fiscal Year	Class/Object	Class Title	Current Budget Amount	Increase/Decrease Amount	Revised Budget Amount
2014	561-50091	Specialty Clinics	\$21,166.00		\$21,166.00
2015	561-50091	Specialty Clinics	\$21,166.00		\$21,166.00
2016	561-50091	Specialty Clinics	\$0	\$20,730.89	\$20,730.89
2017	561-50091	Specialty Clinics	\$0	\$20,730.89	\$20,730.89
		Total	\$42,332.00	\$41,461.78	\$83,793.78

## EXPLANATION

Approval of this Amendment will allow the Department to continue to provide a Registered Nurse to be the Nurse Coordinator for the Special Medical Services Section's Neuromotor Disabilities Clinical Program, Berlin site. The Nurse Coordinator shall take primary responsibility for coordinating the planning and management of clinic and community-based health care, and shall ensure continuity and follow-ups of children with neuromotor handicaps and their families residing in the assigned regional project site.

Currently, the Neuromotor Disabilities Clinical Program operates clinics in six locations: Berlin, Concord, Derry, Keene, Lebanon and Manchester. These services shall be provided at the Berlin (North Country) Neuromotor Disabilities Clinical Program.

The model of service delivery consolidates clinical evaluation services of children and families in community-based locations for economy of scale and long-term stability of the medical evaluation team. Members of the medical evaluation team provide consultation services to the local community for school observations and technical assistance related to the complex needs of children with neuromotor problems. Continuity of care is assured based on ongoing contact with the Nurse Coordinator. It is estimated that a total of 25-30 children will be served during SFY 2016-2017.

This Contractor was selected through a competitive bid process.

The original Agreement and Governor and Council letter contains an option to renew the contract for two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council. The Department and the Contractor have agreed to extend the contract for two additional years.

Should Governor and Executive Council determine not to approve this Request, approximately 25 – 30 children with neuromotor handicaps and their families in Coos County would not have access to coordinated planning and management of clinic and community-based health care.

Area served: Statewide.

Source of funds: 70% General funds and 30% Federal Title V Block Grant Funds from the United States Health and Human Services, Health Resources and Services Administration, Title V Block Grant Funds, CFDA #93.994 and FAIN #B04MC23394.

In the event that federal funds become no longer available, general funds will not be requested to support this program.

Respectfully submitted,

  
Lorene Reagan  
Director

Approved by:   
Nicholas A. Toumpas  
Commissioner



State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the Nurse Coordinator - Neuromotor Disabilities Program Specialty Clinic

This first Amendment to the Nurse Coordinator - Neuromotor Disabilities Program Specialty Clinic contract (hereinafter referred to as "Amendment #1") dated May 18, 2015, is between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Coos County Family Health Services, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation, located at 54 Willow Street, Berlin, NH, 03570.

WHEREAS, pursuant to an agreement approved by the Governor and Executive Council on July 10, 2013 (Item #54) (hereinafter referred to as the "Contract"), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the Agreement (section 18 of the General Provisions of the Form P-37), and the provisions of Exhibit C-1 paragraph 5, the State may renew the contract by the way of a 2-year extension, subject to availability of funding and priorities, satisfactory performance of the Scope of Services, the Agreement may be modified or amended only by written instrument executed by the parties thereto and approved by the Governor and Executive Council; and

WHEREAS, the parties agree to increase the price limitation and extend the completion date of the Contract by two (2) years; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties agree as follows:

1. Except as specifically amended and modified by the terms and conditions in this Amendment #1, the obligations of the parties shall remain in full force and effect in accordance with the terms and conditions set forth in the Contract as referenced above.
2. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to June 30, 2017.
3. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,793.78.
4. Amend General Provisions (Form P-37), Block 1.9, Contracting Officer for State Agency to read: Eric Borrin, Director of Contracts and Procurement.
5. Amend General Provisions (Form P-37), Block 1.10, to read: (603) 271-9558.
6. Amend Standard Exhibit A, Scope of Services, DATE, by extending the date to June 30, 2017.
7. Amend Standard Exhibit A, Scope of Services, CONTRACT PERIOD, by extending the date to June 30, 2017.
8. Delete in its entirety Exhibit B, Method and Conditions Precedent to Payment and replace with Exhibit B Amendment #1.
9. Add Exhibit B-1 Budget, and Exhibit B-2.



New Hampshire Department of Health and Human Services  
Nurse Coordinator - Neuromotor Disabilities Program Specialty Clinic

10. Delete in its entirety Standard Exhibit C, Special Provisions, and replace with Exhibit C, Special Provisions.
11. Delete in its entirety Standard Exhibit C-1 Additional Special Provisions, paragraph 3.
12. Add Exhibit C-2.
13. Amend Standard Exhibit D, Certification Regarding Drug-Free Workplace Requirements, Period Covered by this Certification, by extending the end date to June 30, 2017.
14. Amend Standard Exhibit E, Certification Regarding Lobbying, Contract Period, by extending the end date to June 30, 2017.
15. Delete in its entirety Standard Exhibit G, Certification Regarding the Americans with Disabilities Act Compliance, and replace with Exhibit G, Certification of Compliance with Requirements Pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower Protections.
16. Delete in its entirety Standard Exhibit I, Health Insurance Portability and Accountability Act Business Associate Agreement, and replace with Exhibit I Amendment #1, Health Insurance Portability Act Business Associate Agreement.

This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

6/4/15  
Date

Kathleen A. Dunn, MPH  
Associate Commissioner

Coos County Family Health Services, Inc.

5/21/15  
Date

Karl Gergel  
NAME  
TITLE

Acknowledgement:  
State of NH, County of Coos on 5/21/15, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Linda Blanchette  
Name and Title of Notary or Justice of the Peace

**LINDA BLANCHETTE, Notary Public**  
My Commission Expires September 18, 2018

Contractor Initials: Kg  
Date: 5/21/15



**New Hampshire Department of Health and Human Services  
Nurse Coordinator - Neuromotor Disabilities Program Specialty Clinic**

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date 5/20/15

\_\_\_\_\_  
Name: Megan A. Kelly  
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:



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**Method and Conditions Precedent to Payment**

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, Block 1.8, of the General Provisions (Form P-37) of this Agreement in consideration for the Contractor's compliance with the terms and conditions of this Agreement and for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This Contract is funded with federal funds made available under the Catalog of Federal domestic Assistance (CFDA) #'s, for the provision of services pursuant to Exhibit A, Scope of Services as follows:
  - 2.1. 93.994 United States Department of Health and Human Services, Health Resources and Services Administration, Maternal and Child Health Services Block Grant
  - 2.2. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
3. Payment for contracted services will be made on a cost reimbursement basis only, for allowable expenses, in accordance with the Exhibit B-1 Budget and Exhibit B-2 Budget.
4. Reimbursements for services provided shall be made by the State on a monthly basis after receipt, review and approval of monthly expenditure reports submitted by the Contractor to the State.
5. Monthly Expenditure Reports, which are based on a budget approved by the State (defined in Paragraph 3, above), shall be in a form approved by the State and shall be submitted no later than twenty (20) working days after the close of the month. In addition to the monthly expenditure reports required and not later than sixty (60) days after the end of the budget period, the Contractor shall submit a final expenditure report in a form satisfactory to the State.
6. The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses including, but not limited to, personnel costs and operating expenses related to the Services. 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 payments for capital additions or improvements, dues to societies and organizations, entertainment costs or any other costs not approved by the State. The Contractor must also have written authorization from the State prior to purchasing any equipment with a cost in excess of five hundred dollars (\$500) and/or with a useful life beyond one (1) year.
7. The Contractor agrees that, to the extent future legislative action by the NH General Court may impact on the services described herein, the State retains the right to modify expenditure requirements under this agreement.
8. Notwithstanding paragraph 18 of the General Provisions of this Agreement P-37, an amendment, limited to the budgets, Exhibits B-1 through B-2, to adjust amounts within the budgets and between State Fiscal Years, within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of Governor and Executive Council.
9. The Contractor will submit, for Department approval, a written request, with programmatic justification, to adjust amounts within the budgets or between State Fiscal Years.

Kg  
5/22/15



Exhibit B Amendment #1

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10. In the event of a vacancy in any of the key personnel positions, the Department's Special Medical Services Section is authorized to direct any and all budget revisions deemed necessary and appropriate by the Administrator to assure continuity of services as outlined in Exhibit A, including the cost of advertisement.
11. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

*[Handwritten Signature]*  
*[Handwritten Date: 5/21/15]*

## Exhibit B-1 Budget

### BUDGET FORM

**New Hampshire Department of Health and Human Services  
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Coos County Family Health Services, Inc.

Budget Request for: Nurse Coordinator - Neuromotor Disabilities Program  
*Name of Program*

Budget Period: 7/1/15-6/30/16

	Direct Expenses	Indirect Expenses	TOTAL
1. Total Salary/Wages	\$ 11,456.84	\$ -	\$ 11,456.84
2. Employee Benefits	\$ 3,437.05	\$ -	\$ 3,437.05
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ 1,000.00	\$ -	\$ 1,000.00
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 1,374.00	\$ -	\$ 1,374.00
6. Travel	\$ 300.00	\$ -	\$ 300.00
7. Occupancy	\$ 2,200.00	\$ -	\$ 2,200.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal and Insurance	\$ 663.00	\$ -	\$ 663.00
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -
Cultural/Linguistic Support	\$ 300.00	\$ -	\$ 300.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 20,730.89</b>	<b>\$ -</b>	<b>\$ 20,730.89</b>

Indirect As A Percent of Direct

0.0%

Contractor Initials: KG  
Date: 5-21-15

## Exhibit B-2 Budget

### BUDGET FORM

**New Hampshire Department of Health and Human Services  
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Coos County Family Health Services, Inc.

Budget Request for: Nurse Coordinator - Neuromotor Disabilities Program  
Specialty Clinic  
*Name of Program*

Budget Period: 7/1/16-6/30/17

	Direct Personnel	Indirect Fixed	Total	Allocation Method for Indirect Cost
1. Total Salary/Wages	\$ 11,456.84	\$ -	\$ 11,456.84	
2. Employee Benefits	\$ 3,437.05	\$ -	\$ 3,437.05	
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ 1,000.00	\$ -	\$ 1,000.00	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 1,374.00	\$ -	\$ 1,374.00	
6. Travel	\$ 300.00	\$ -	\$ 300.00	
7. Occupancy	\$ 2,200.00	\$ -	\$ 2,200.00	
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal and Insurance	\$ 663.00	\$ -	\$ 663.00	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
Cultural/Linguistic Support	\$ 300.00	\$ -	\$ 300.00	
Regional F&S Patient Services	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$ 20,730.89</b>	<b>\$ -</b>	<b>\$ 20,730.89</b>	

Indirect As A Percent of Direct

0.0%



**SPECIAL PROVISIONS**

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department 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.



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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
  
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
  
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
  
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
  
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
  
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



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

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

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

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

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

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

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

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

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

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



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

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

#### DEFINITIONS

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

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

**DEPARTMENT:** NH Department of Health and Human Services.

**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.



**REVISIONS TO GENERAL PROVISIONS**

1. 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.
  
2. 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 insurance 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 with additional umbrella liability insurance coverage of not less than \$2,000,000.



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

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

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

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

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

Exhibit G

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

Contractor Initials

*Kg*

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

Contractor Name:

5/21/15  
Date

K. J. GORDON  
Name: GENERAL EXECUTIVE OFFICER  
Title:

Exhibit G

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

Contractor Initials

KJ

Date

5/21/15



Exhibit I - Amendment #1

**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.

*Kg*

*5-21-15*



Exhibit I Amendment #1

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

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

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

Kg  
5-2-15



Exhibit I Amendment #1

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

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

**(3) Obligations and Activities of Business Associate.**

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

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

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



Exhibit I Amendment #1

- 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

*Kg*  
*5-21-15*



Exhibit I Amendment #1

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 Amendment #1

- 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 & Human Services  
The State

Lorrene Reagan  
Signature of Authorized Representative

Lorrene Reagan  
Name of Authorized Representative

BDS Bureau Chief  
Title of Authorized Representative

6/4/15  
Date

Ucos Co. Family Health Services  
Name of the Contractor

Robert E. Cox  
Signature of Authorized Representative

ROBERT E. COX  
Name of Authorized Representative

Chief Executive Officer  
Title of Authorized Representative

5/21/15  
Date

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 COOS COUNTY FAMILY HEALTH SERVICES, INC. is a New Hampshire nonprofit corporation formed December 14, 1979. 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 8<sup>th</sup> day of April, A.D. 2015

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

William M. Gardner  
Secretary of State

**CERTIFICATE OF VOTE/AUTHORITY**

I, Robert Felchat, of, Coos County Family Health Services do hereby certify that:

1. I am the duly elected Board President of Coos County Family Health Services Inc.
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Coos County Family Health Services corporation, duly held on February 19, 2015;

RESOLVED: That this corporation may enter into any and all contracts, amendments, renewals, revisions or modifications thereto, with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Public Health Services, and/or Division of Community-Based Care Services.

RESOLVED: That the President, Vice-President, Treasurer, or Chief Executive Officer is hereby authorized on behalf of this corporation to enter into said contracts with the State and to execute any and all documents, agreements, and other instruments; and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable, or appropriate.

Robert E. [Signature] is the duly appointed Chief Executive Officer of the corporation.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of May 21, 2015.

IN WITNESS WHEREOF, I have hereunto set my hand as the Board President of the corporation this 21 day of May, 2015

Robert Felchat

STATE OF New Hampshire  
COUNTY OF Coos

The foregoing instrument was acknowledged before me this 21 day of May, 2015  
by Robert Felchat.

Linda Blanchette  
Notary Public/Justice of the Peace

My Commission Expires:

**LINDA BLANCHETTE, Notary Public**  
**My Commission Expires September 18, 2018**

## **STATE CONTRACT RESOLUTIONS:**

RESOLVED: That this corporation enters into any and all contracts, amendments, renewals, revisions or modifications thereto, with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Public Health Services, and/or Division of Community-Based Care Services.

RESOLVED: That the President, Vice-President, Treasurer, or Chief Executive Officer is hereby authorized on behalf of this corporation to enter into said contracts with the State and to execute any and all documents, agreements, and other instruments; and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable, or appropriate.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/16/2014

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> Vivian Vaudreuil <b>PHONE (A/C, No. Ext):</b> (603) 669-3218 <b>FAX (A/C, No):</b> (603) 645-4331 <b>E-MAIL ADDRESS:</b> vvaudreuil@crossagency.com																				
	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Philadelphia Indemnity Ins Co</td> <td></td> <td>18058</td> </tr> <tr> <td>INSURER B: Philadelphia Ins Co</td> <td></td> <td></td> </tr> <tr> <td>INSURER C: MEMIC Indemnity Company</td> <td></td> <td>11030</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: Philadelphia Indemnity Ins Co		18058	INSURER B: Philadelphia Ins Co			INSURER C: MEMIC Indemnity Company		11030	INSURER D:			INSURER E:			INSURER F:	
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<b>INSURED</b> Coos County Family Health Services 133 Pleasant Street  Berlin NH 03570-2006																					

**COVERAGES** CERTIFICATE NUMBER: 14-15 All lines 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 Y/ND	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 <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			PHPK1197781	7/1/2014	7/1/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			PHPK1197781	7/1/2014	7/1/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist BI-single \$ 1,000,000
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB465302	7/1/2014	7/1/2015	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
C	<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	Y/N	N/A	3102802240 (3a.) NH All officers included	7/1/2014	7/1/2015	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	Employee Dishonesty			PHSD944097	7/1/2014	7/1/2015	Limit \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 The certificate holder is included as additional insured with respects to the CGL as per written contract. Refer to policy for exclusionary endorsements and special provisions.

**CERTIFICATE HOLDER**

NH DHHS  
 Contracts and Procurement Unit  
 129 Pleasant Street  
 Concord, NH 03301

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dwayne Davis/JSC

## MISSION OF COÖS COUNTY FAMILY HEALTH SERVICES

Coös County Family Health Services is a community-based organization providing innovative, personalized, comprehensive health care and social services of the highest quality to everyone, regardless of economic status.

(Mission/Vision Statement)  
Board Approved 1/15/15

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
AUDITED FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013

## CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORTS:	1 - 3
FINANCIAL STATEMENTS	
Balance Sheets.....	4
Statements of Operations.....	5
Statements of Changes in Net Assets.....	6
Statements of Cash Flow.....	7 - 8
NOTES TO FINANCIAL STATEMENTS.....	9 - 21
SUPPLEMENTAL SCHEDULE:	
Schedule of Expenditures of Federal Award.....	22 - 23
NOTES TO SUPPLEMENTAL SCHEDULE.....	24
ADDITIONAL AUDITORS' REPORTS:	
Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	25 - 26
Compliance for Each Major Federal Program and Report on Internal Control Over Compliance.....	27 - 29
SUPPLEMENTAL SCHEDULE:	
Schedule of Findings and Questioned Costs.....	30 - 31

**BRAD BORBIDGE, P.A.**

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

TELEPHONE 603/224-0849  
FAX 603/224-2397

Independent Auditors' Report on Financial Statements

Board of Directors  
Coos County Family Health Services, Inc.  
Berlin, New Hampshire

We have audited the accompanying financial statements of Coos County Family Health Services, Inc. which comprise the balance sheets as of June 30, 2014 and 2013, 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 Coos County Family Health Services, Inc. as of June 30, 2014 and 2013, 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 December 11, 2014, 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".

Concord, New Hampshire  
December 11, 2014

COOS COUNTY FAMILY HEALTH SERVICES, INC.

BALANCE SHEETS

JUNE 30, 2014 AND 2013

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash and cash equivalents	\$ 371,527	\$ 310,353
Patient accounts receivable, net of allowances of for uncollectible accounts of \$218,000 and \$195,000 at June 30, 2014 and 2013, respectively	978,555	435,123
Grants receivable	143,394	242,150
Due from third party payers	40,105	31,737
Prepaid expenses	91,036	102,267
Total Current Assets	<u>1,624,617</u>	<u>1,121,630</u>
Assets Limited As To Use	651,351	625,069
Beneficial Interest In Perpetual Trust Held By Others	19,973	18,274
Property And Equipment, Net	<u>2,619,138</u>	<u>2,100,494</u>
TOTAL ASSETS	<u>\$ 4,915,079</u>	<u>\$ 3,865,467</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable and accrued expenses	\$ 257,195	\$ 83,220
Accrued payroll and related expenses	700,765	680,503
Due to third party payers	-	21,057
Deferred revenue	26,724	60,282
Current maturities of long-term debt	59,139	79,892
Total Current Liabilities	<u>1,043,823</u>	<u>924,954</u>
Long-term Debt, Less Current Maturities	<u>715,850</u>	<u>902,002</u>
Total Liabilities	<u>1,759,673</u>	<u>1,826,956</u>
Net Assets:		
Unrestricted	2,392,640	1,153,541
Temporarily restricted	740,809	864,280
Permanently restricted	21,957	20,690
Total Net Assets	<u>3,155,406</u>	<u>2,038,511</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,915,079</u>	<u>\$ 3,865,467</u>

(See accompanying notes to these financial statements)

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
STATEMENTS OF OPERATIONS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Operating Revenue:		
Patient service revenue	\$ 7,524,240	\$ 5,817,776
Provision for bad debts	(272,094)	(269,804)
Net patient service revenue	7,252,146	5,547,972
Grants, contracts, and contributions	2,750,768	2,712,601
Other operating revenue	521,180	466,133
Interest income	3,008	3,134
Net assets released from restrictions for operations	278,480	219,146
Total Operating Revenue	10,805,582	8,948,986
Operating Expenses:		
Salaries and benefits	7,210,447	6,688,068
Other operating expenses	2,487,345	1,707,879
Depreciation	235,073	227,921
Interest expense	33,618	42,629
Total Operating Expenses	9,966,483	8,666,497
EXCESS OF REVENUE OVER EXPENSES	839,099	282,489
Grant Received For Capital Acquisition	400,000	-
INCREASE IN UNRESTRICTED NET ASSETS	\$ 1,239,099	\$ 282,489

(See accompanying notes to these financial statements)

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Unrestricted Net Assets:		
Excess of revenue over expenses	\$ 839,099	\$ 282,489
Grant received for capital acquisition	400,000	-
Increase in Unrestricted Net Assets	1,239,099	282,489
Temporarily Restricted Net Assets:		
Grants, contracts, and contributions	153,310	47,035
Net assets released from restrictions for operations	(278,480)	(219,146)
Capital appreciation on endowment funds	-	530
Change in fair value of beneficial interest in perpetual trust held by others	1,699	274
Decrease in Temporarily Restricted Net Assets	(123,471)	(171,307)
Permanently Restricted Net Assets:		
Contributions	1,267	2,113
Increase in Permanently Restricted Net Assets	1,267	2,113
Change in Net Assets	1,116,895	113,295
Net Assets, Beginning Of Year	2,038,511	1,925,216
NET ASSETS, END OF YEAR	\$ 3,155,406	\$ 2,038,511

(See accompanying notes to these financial statements)

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities		
Change in net assets	\$ 1,116,895	\$ 113,295
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Bad debt expense	272,094	269,804
Depreciation	235,073	227,921
Grant received for capital acquisition	(400,000)	-
Restricted grants, contracts, and contributions	(154,577)	(49,148)
Capital appreciation on endowment funds	-	(530)
Change in fair value of beneficial interest in perpetual trust held by others	(1,699)	(274)
(Increase) decrease in the following assets:		
Patient accounts receivable	(815,526)	(328,193)
Grants receivable	98,756	5,397
Due from third party payers	(8,368)	9,263
Prepaid expenses	11,231	(39,682)
Increase (decrease) in the following liabilities:		
Accounts payable and accrued expenses	173,975	19,743
Accrued payroll and related expenses	20,262	27,221
Due to third party payers	(21,057)	21,057
Deferred revenue	(33,558)	(733,552)
Net Cash Provided (Used) by Operating Activities	493,501	(457,678)
Cash Flows From Investing Activities		
Decrease in assets limited as to use	128,295	57,351
Increase in beneficial interest in perpetual trust held by others	-	(18,000)
Capital acquisitions	(753,717)	(91,489)
Net Cash Used by Investing Activities	(625,422)	(52,138)
Cash Flows From Financing Activities		
Grant received for capital acquisition	400,000	-
Proceeds from issuance of long-term debt	179,000	-
Payments on long-term debt	(385,905)	(85,369)
Net Cash Provided (Used) by Financing Activities	193,095	(85,369)

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
 STATEMENTS OF CASH FLOWS (CONTINUED)  
 FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Net Increase (Decrease) in Cash and Cash Equivalents	61,174	(595,185)
Cash and Cash Equivalents, Beginning of Year	310,353	905,538
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 371,527	\$ 310,353
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest	\$ 33,618	\$ 42,629

(See accompanying notes to these financial statements)

COOS COUNTY FAMILY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Coos County Family Health Services, Inc., "the Organization", is a non-stock, not-for-profit corporation organized in New Hampshire. The Organization is a Federally Qualified Health Center (FQHC) which provides outpatient health care and disease prevention services to residents of Coos County, New Hampshire through direct services, referral and advocacy.

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization 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 Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements. Management believes the Agency is no longer subject to income tax examinations for years prior to 2011.

Use of Estimates

The Organization uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits, petty cash funds and investments with a maturity of three months or less, and exclude amounts whose use is limited by Board designation or other arrangements under trust agreements or with third-party payers.

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

### Accounts Receivable

Accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, the Organization analyzes its past history and identifies trends for each funding source. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts. The Organization has not changed its methodology for estimating the allowance for doubtful accounts.

A reconciliation of the allowance for uncollectible accounts at June 30, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 195,000	\$ 187,000
Provision for bad debts	272,094	269,804
Write-offs	<u>(249,094)</u>	<u>(261,804)</u>
Balance, end of year	<u>\$ 218,000</u>	<u>\$ 195,000</u>

The increase in the allowance for uncollectible accounts is primarily related to the increase in patient accounts receivable balances.

### Assets Limited As to Use

Assets limited as to use include assets set aside as a reserve fund under loan agreements for repairs and maintenance on the real property collateralizing the loans and assets designated by the board of directors and donor restricted grants and contributions.

### Beneficial Interest in Perpetual Trusts Held by Others

During 2013, the Organization became a beneficiary of an agency endowment fund at The New Hampshire Charitable Foundation, "the Foundation", by transferring \$18,000 of endowment assets to be held and administered by the Foundation for the benefit of the Organization. Pursuant to the terms of the resolution establishing the fund, property contributed to the Foundation is held as a separate fund designated for the benefit of the Organization. In accordance with its spending policy, the Foundation makes distributions from the fund to the Organization. The distributions are approximately 4.03% of the market value of the fund per year. The Organization's interest in the fund is recognized as permanently restricted net assets with changes in fair value reported as temporarily restricted net assets.

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

### Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation. 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.

### Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets include contributions and grants for which donor-imposed restrictions have not been met. Assets are released from restrictions as expenditures are made in line with restrictions called for under the terms of the donor. Restricted contributions and grants for capital acquisitions received prior to July 1, 2013 are released from restriction over the life of the related asset acquired in accordance with the reporting of related asset's depreciation expense. Restricted contributions and grants released are reported as unrestricted revenue and support.

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

### Patient Service Revenue

The Organization has agreements with third-party payers that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payers follows:

- Medicare -- Primary care services rendered to Medicare program beneficiaries are reimbursed under cost reimbursement methodology. The Organization is reimbursed at a tentative encounter rate with final settlement determined after submission of annual cost reports by the Organization and audits thereof by the Medicare fiscal intermediary. The Organization's Medicare cost reports have been retroactively settled by the Medicare Administrative Contractor through June 30, 2012.
- Other payers -- The Organization also has entered into payment agreements with Medicaid certain commercial insurance carriers, health maintenance Organizations and preferred provider Organizations. The basis for payment to the Organization under these agreements includes prospectively determined rates per visit, discounts from established charges and capitated arrangements for primary care services on a per member, per month basis.

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

### Patient Service Revenue (Continued)

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Organization believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenues in the year that such amounts become known. The differences between amounts previously estimated and amounts subsequently determined to be recoverable from third-party payers increased patient service revenues by approximately \$15,000 and \$103,000 for the years ended June 30, 2014 and 2013, respectively.

The Organization, as a FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHC's and other identified entities at a reduced price. The Organization contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of the Organization and bill Medicare and commercial insurances on behalf of the Organization. Reimbursement received by the pharmacies is remitted to the Organization, less dispensing and administrative fees. Gross revenue generated from the program is included in patient service revenue. Contracted expenses incurred related to the program are included in other operating expenses.

### Donated Goods and Services

Various program help and support for the daily operations of the Organization's Response Program were provided by the general public of the surrounding communities. The donated services have not been reflected in the accompanying financial statements because they did not meet the criteria for recognition. Management estimates the fair value of donated services received but not recognized as revenues was \$102,510 and \$92,187 for the years ended June 30, 2014 and 2013, respectively. The Response Program also receives donated supplies to be used for program activities. The fair value of supplies recognized as revenues was \$5,122 and \$3,606 for the years ended June 30, 2014 and 2013, respectively.

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

### Donated Goods and Services (Continued)

The Organization receives samples of medical supplies that are distributed to patients. The donated supplies have not been reflected in the accompanying financial statements because they did not meet the criteria for recognition.

### 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 activities 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.

### Excess of Revenue Over Expenses

The statement of operations includes the excess of revenue over expenses. Changes in unrestricted net assets, which are excluded from the excess of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

## NOTE 2 ASSETS LIMITED AS TO USE AND BENEFICIAL INTEREST IN PERPETUAL TRUST HELD BY OTHERS

Assets limited as to use and beneficial interest in perpetual trusts consisted of the following at June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Board designated:		
Working capital (Federal 330 monies)	\$ 507,870	\$ 505,025
United States Department of Agriculture Rural Development loan agreements	29,640	36,589
Donor restricted:		
Temporarily	111,857	81,039
Permanently	<u>21,957</u>	<u>20,690</u>
Total	<u>\$ 671,324</u>	<u>\$ 643,343</u>

NOTE 2 ASSETS LIMITED AS TO USE AND BENEFICIAL INTEREST IN PERPETUAL TRUST HELD BY OTHERS (CONTINUED)

	<u>2014</u>	<u>2013</u>
Assets limited as to use	\$ 651,351	\$ 625,069
Beneficial interest in perpetual trust held by others	<u>19,973</u>	<u>18,274</u>
Total	<u>\$ 671,324</u>	<u>\$ 643,343</u>

Assets limited as to use are comprised of cash and cash equivalents. Cash and cash equivalents included in assets limited as to use are not considered cash and cash equivalents for cash flow purposes.

Financial accounting standards established a valuation hierarchy for disclosure of the inputs 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.

The fair value of the beneficial interest in perpetual trust held by others is measured on non-recurring basis using level 3 inputs. The fair value is determined annually based on the fair value of the assets in the trust as represented by the Foundation's management. The Organization's management determines the reasonableness of the methodology by evaluating market developments.

The following table sets forth a summary of the change in the fair value of the level 3 beneficial interests in perpetual trusts held by others for the years ended June 30, 2014 and 2013.

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 18,274	\$ -
Contributions	-	18,000
Change in fair value	2,527	1,069
Distributions	(706)	(703)
Fees	<u>(122)</u>	<u>(92)</u>
Balance, end of year	<u>\$ 19,973</u>	<u>\$ 18,274</u>

### NOTE 3 PROPERTY AND EQUIPMENT

The cost and accumulated depreciation of property and equipment at June 30, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Land and improvements	\$ 153,257	\$ 153,257
Building and leasehold improvements	3,176,922	2,603,291
Furniture and equipment	<u>1,752,474</u>	<u>1,572,389</u>
Total Cost	5,082,653	4,328,937
Less accumulated depreciation	<u>2,463,515</u>	<u>2,228,443</u>
Property And Equipment, Net	<u>\$ 2,619,138</u>	<u>\$ 2,100,494</u>

In 2010 the Organization made renovations to certain buildings with Federal grant funding under the ARRA – Capital Improvement Program. In 2014 the Organization also made renovations to certain buildings with Federal grant funding under the ACA – Capital Development Program. In accordance with the grant agreements, a Notice of Federal Interest (NFI) is required to be filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management, Health Resources and Services Administration (OFAM, HRSA); and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM and HRSA.

### NOTE 4 LINE OF CREDIT

The Organization has a \$500,000 line of credit with a local banking institution through December 2014. The line of credit is secured by all assets. The interest rate at June 30, 2014 was 4.75% (Prime plus 1.5%). The Organization is also required to pay 0.25% monthly on the unused portion of the line. There was no outstanding balance at June 30, 2014 and 2013, respectively.

NOTE 5 LONG-TERM DEBT

At June 30, 2014 and 2013 long-term debt and capital lease obligations consisted of the following:

	<u>2014</u>	<u>2013</u>
Note payable, Rural Economic and Community Development, payable in monthly installments of \$1,285, including interest at 3.375%, due May 2042, secured by real estate.	\$ 277,878	\$ 283,846
Note payable, Rural Economic and Community Development, payable in monthly installments of \$2,741, including interest at 4.5%, due November 2028, secured by all business assets.	347,376	364,127
Note payable, New Hampshire Health and Education Facilities Authority (NH HEFA), payable in monthly installments of \$3,060 including interest at 1.00%, due August 2018, secured by real estate.	149,735	-
Note payable, Citizens Bank, payable in variable monthly installments of \$4,723 plus interest, 3.25% as of June 30, 2014, due February 2018, secured by real estate. The note was paid in full in May 2014	-	209,722
Note payable, Rural Economic and Community Development, payable in monthly installments of \$2,268, including interest at 6.125%, due November 2018, secured by real estate. The note was refinanced by the NH HEFA loan in August 2013.	<u>-</u>	<u>124,199</u>
Total long-term debt	774,989	981,894
Less current maturities	<u>59,139</u>	<u>79,892</u>
Long-term Debt Excluding Current Maturities	<u>\$ 715,850</u>	<u>\$ 902,002</u>

NOTE 5 LONG-TERM DEBT (CONTINUED)

Scheduled principal repayments on long-term debt for the next five years and thereafter follows:

Year Ending <u>June 30,</u>	Long-term <u>Debt</u>
2015	\$ 59,139
2016	60,514
2017	61,937
2018	63,411
2019	34,170
Thereafter	<u>495,818</u>
Total	<u>\$ 774,989</u>

NOTE 6 TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily and permanently restricted net assets consisted of the following at June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Temporarily restricted:		
Specific purpose	\$ 109,884	\$ 79,703
Expended capital improvements	628,952	783,241
Endowment earnings	<u>1,973</u>	<u>1,336</u>
Total	<u>\$ 740,809</u>	<u>\$ 864,280</u>
Permanently restricted:		
Endowment	<u>\$ 21,957</u>	<u>\$ 20,690</u>

NOTE 7 ENDOWMENTS

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as a donor restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor restricted endowment gifts and (c) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

NOTE 7 ENDOWMENTS (CONTINUED)

The remaining portion of the donor-restricted endowment fund is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income
- (6) Other resources of the Organization

The following summarizes changes in endowment assets for years ended June 30, 2014 and 2013:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Balance June 30, 2012	\$ 530	\$ 18,577
Contributions	-	2,113
Investment income, net of fees	532	-
Change in fair value of beneficial interest in perpetual trust held by others	<u>274</u>	<u>-</u>
Balance June 30, 2013	1,336	20,690
Contributions	-	1,267
Appropriation of endowment assets for expenditures	(1,062)	-
Change in fair value of beneficial interest in perpetual trust held by others	<u>1,699</u>	<u>-</u>
Balance June 30, 2014	<u>\$ 1,973</u>	<u>\$ 21,957</u>

Endowment assets consist of cash and cash equivalents and a beneficial interest in perpetual trust held by others. Endowment interest income earned is spent at the discretion of the Organization's Board of Directors.

#### NOTE 8 PATIENT SERVICE REVENUE

A summary of patient service revenue for the years ended June 30, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Medical patient service revenue	\$ 5,729,532	\$ 5,817,776
340B pharmacy revenue	<u>1,794,708</u>	<u>-</u>
Total Patient Service Revenue	<u>\$ 7,524,240</u>	<u>\$ 5,817,776</u>

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, the revenue is recorded net of the free care allowance. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of providing services to patients under the Organization charity care policy amounted to \$353,281 and \$401,411 for the years ended June 30, 2014 and 2013, respectively.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

#### NOTE 9 FUNCTIONAL EXPENSES

The Organization provides various services to residents within its geographic location. Expenses related to providing these services for the years ended June 30, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Program services	\$ 8,751,900	\$ 7,532,513
Administrative and general	<u>1,214,583</u>	<u>1,133,984</u>
Total	<u>\$ 9,966,483</u>	<u>\$ 8,666,497</u>

#### NOTE 10 MALPRACTICE INSURANCE

The Organization is protected from medical malpractice risk as a FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of the year ended June 30, 2014, there were no known malpractice claims outstanding which in the opinion of management, will be settled for amounts in excess of both FTCA and gap insurance coverage nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew the additional medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

#### NOTE 11 RETIREMENT PLAN

The Organization has a defined contribution plan under Internal Revenue Code Section 401(k) that cover substantially all employees. The Organization contributed \$160,026 and \$145,048 to the plan for the years ended June 30, 2014 and 2013, respectively.

#### NOTE 12 CONCENTRATION OF RISK

The Organization has cash deposits in major financial institutions in excess of \$250,000, which exceeds federal depository insurance limits. The financial institutions have a strong credit rating and management believes the credit risk related to these deposits is minimal.

The Organization grants credit without collateral to its patients, most of who are local residents and are insured under third-party payer agreements. The mix of medical patient service revenue receivables from patients and third-party payers at June 30, 2014 follows:

Medicare	32%
Medicaid	13%
Anthem Blue Cross	17%
Other	<u>38%</u>
Total	<u>100%</u>

#### NOTE 13 PATIENT ASSISTANCE PROGRAMS

The Organization acts as a conduit for pharmaceutical company patient assistance programs. The Organization provides assistance to patients in applying and distributing prescription drugs under the programs. The value of the prescription drugs distributed by the Organization to patients is not reflected in the accompanying financial statements. The Organization estimates that the value of prescription drugs distributed by the Organization for the years ended June 30, 2014 and 2013 was \$2,914,948 and \$2,754,348, respectively.

#### NOTE 14 SUBSEQUENT EVENTS

For financial reporting purposes, subsequent events have been evaluated by management through December 11, 2014, which is the date the financial statements were available to be issued.

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor Pass-through Grantor <u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services:			
Direct programs:			
Health Center Cluster			
Consolidated Health Centers	93.224		\$ 1,442,547
Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526		<u>400,000</u>
Total Health Center Cluster			<u>1,842,547</u>
Pass-through programs from:			
State of New Hampshire Department of Health and Human Services			
Primary Care	93.994	102-500731/90080000	16,263
Neuromotor Disabilities Clinical Program	93.994	561-500911/93001000	<u>6,305</u>
Total Maternal and Child Health Services			22,568
State of New Hampshire Department of Health and Human Services			
Family Planning	93.217	102-500734/90080203	32,014
Breast and Cervical Cancer Prevention	93.283	102-500731/90080081	28,584
Family Planning - TANF	93.558	502-500891/45130203	12,361
Oral Health	93.991	102-500731/90072003	43,359
New Hampshire Coalition Against Domestic and Sexual Violence:			
Statewide Program to Improve Response to Domestic Violence	93.671		<u>60,433</u>
Total Pass-through Programs			<u>199,319</u>
Total U.S. Department of Health and Human Services			<u>2,041,866</u>

The accompanying notes are an integral part of this schedule.

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor Pass-through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Justice:			
Direct programs:			
Transitional Housing Assistance Grants for Victims of Domestic Violence, Dating Violence, Stalking or Sexual Assault	16.736		32,915
Pass-through programs from:			
New Hampshire Coalition Against Domestic and Sexual Violence :			
Sexual Assault Services Program	16.017		12,467
Victims of Crime Act	16.575		<u>172,945</u>
Total U.S. Department of Justice			<u>218,327</u>
Total Federal Awards, All Programs			<u>\$ 2,260,193</u>

The accompanying notes are an integral part of this schedule.

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards, "the Schedule", includes the federal grant activity of Coos County Family Health Services, Inc., "the Organization", under programs of the federal government for the year ended June 30, 2014. 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 Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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.

**BRAD BORBIDGE, P.A.**

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

TELEPHONE 603/224-0849  
FAX 603/224-2397

Independent Auditors' Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors  
Coos County Family Health Services, Inc.  
Berlin, 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 Coos County Family Health Services, Inc. which comprise the balance sheets as of June 30, 2014, 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 December 11, 2014.

*Internal Control Over Financial Reporting*

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

*Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

*Purpose of this Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Concord, New Hampshire  
December 11, 2014

**BRAD BORBIDGE, P.A.**

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

TELEPHONE 603/224-0849  
FAX 603/224-2397

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

Board of Directors  
Coos County Family Health Services, Inc.  
Berlin, New Hampshire

*Report on Compliance for Each Major Federal Program*

We have audited Coos County Family Health Services, Inc. compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2014. The Organization's major federal programs are identified in the summary of 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.

*Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

*Opinion on Each Major Federal Program*

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

*Report on Internal Control Over Compliance*

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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. D. [unclear]".

Concord, New Hampshire  
December 11, 2014

COOS COUNTY FAMILY HEALTH SERVICES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

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 weakness(es) identified?	No
• Significant deficiency(s) identified?	None Reported
3. Noncompliance material to financial statements noted?	No

B. Federal Awards

1. Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	None Reported
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

Health Center Cluster	
Consolidated Health Centers	93.224
Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526

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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COOS COUNTY FAMILY HEALTH SERVICES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Findings and Questioned Costs

A. Financial Statements

There were no financial statement findings for the year ended June 30, 2014.

B. Federal Awards

There were no federal awards findings for the year ended June 30, 2014.

Section III – Prior Findings and Questioned Costs for the Year Ended June 30, 2013

There were no prior financial statement or federal award audit findings for the year ended June 30, 2013.

**COOS COUNTY FAMILY HEALTH SERVICES, INC.**  
**54 WILLOW STREET – BERLIN, NH 03570**  
**752-3669**

**BOARD OF DIRECTORS**

Robert Pelchat, 2017 (5<sup>th</sup>)  
**\*\*PRESIDENT\*\***  
Retired Electronics Engineer  
Chair, Executive Committee

Linda Sjostrom, 2015 (1<sup>st</sup>)  
Financial Advisor

Joan Merrill, 2016 (2<sup>nd</sup>)  
**\*\*VICE-PRESIDENT\*\***  
Retired English Teacher  
Finance/Development Committee  
Governance Committee  
Facilities Committee

Andrea Gagne, 2016 (1<sup>st</sup>)  
Division Director, Tri-County CAP  
Finance/Development Committee

Charles Greenhalgh, 2017 (1<sup>st</sup>)  
Attorney

Aline Boucher, 2017 (3<sup>rd</sup>)  
**\*\*TREASURER\*\***  
Retired City Comptroller/Tax Collector  
Chair, Finance Committee

Roland Olivier, 2017 (1<sup>st</sup>)  
Attorney  
Governance Committee

Christie Nelson, PsyD, 2017 (1<sup>st</sup>)  
Drug Abuse Program Coordinator

Jeffrey D. Smith, 2015 (1<sup>st</sup>)  
**\*\*SECRETARY\*\***  
Financial Services Manager  
Chair, Corporate Compliance Committee  
Personnel Committee

David Morin, 2017 (1<sup>st</sup>)  
Berlin Merchant – Morin Shoe Store

Marge McClellan, 2017 (5<sup>th</sup>)  
Retired Executive Director – AV Home  
Care  
Chair, Governance Committee  
Chair, Quality Improvement Committee

Robert Thompson  
Project Manager - Berlin Public Schools

Åsa Brosnan, 2015 (4<sup>th</sup>)  
RN at Coos County Nursing Home  
Governance Committee

H. Guyford Stever, Jr., 2016 (2<sup>nd</sup>)  
Retired English Teacher  
Chair, Personnel Committee  
Finance/Development Committee  
Quality Improvement Committee  
Facilities Committee

# **KENNETH E. GORDON**

## **PROFESSIONAL HISTORY**

**2/2015 – Present** Coos County Family Health Services, 54 Willow Street, Berlin, NH 03570 (603) 752-3669 ext. 4018 [kgordon@ccfhs.org](mailto:kgordon@ccfhs.org)

### **CHIEF EXECUTIVE OFFICER (2015 – Present)**

- Responsible for the successful administration and overall direction of a \$10.2M Community Health Center, including 6 sites and 10 programs. Major administrative responsibilities include: oversight of budget preparation and fiscal management, development and implementation of long and short-term planning, personnel management, grantsmanship and public relations. Includes extensive contact with the public and government officials as well as ongoing communications with 14 member volunteer Board of Directors, 120 paid staff and numerous volunteers.

**ADMINISTRATOR:** North Country Health Consortium, Littleton, New Hampshire (8/13 – 2/15)

- Provided administrative leadership of the North Country Accountable Care Organization, a non-profit entity comprised of four community health centers working in collaboration to improve the health and well-being of North Country residents.

**EXECUTIVE DIRECTOR:** Area Agency on Aging for Northeastern Vermont, St. Johnsbury, Vermont (9/02 – 7/13)

- Provided administrative leadership to a private, non-profit human service agency serving older adults and family caregivers.
- Financial management of the organization's budget.
- Supervision of clinical and administrative staff.

**SOCIAL SERVICES COORDINATOR:** Caledonia Home Health Care and Hospice, St Johnsbury, Vermont (8/97 - 8/02)

- Provided medical social work to individuals and families receiving home care and hospice services.
- Supervised and coordinated the work of four master's level staff members.
- Provided consultation to medical staff regarding psycho-social issues.
- Participated in discharge planning with other social service and health agencies.

**CHILD PROTECTIVE SERVICE WORKER:** Vermont Department of Social & Rehabilitation Services, St. Johnsbury, Vermont (5/96 - 8/97)

- Coordinated multidisciplinary treatment teams providing services to families.
- Psychosocial assessment & case planning.
- Care Management (Medicaid reimbursable).
- Individual and family counseling.
- Placement and supervision of children in foster care.
- Preparation of court reports.

**ADOPTION SOCIAL WORKER:** Vermont Department of Social & Rehabilitation Services, St. Johnsbury & Newport, Vermont (4/90 -9/94)

- Recruitment, training and assessment of adoptive applicants.
- Placement and supervision of abused and neglected children with adoptive families.
- Counseling with birth parents considering the voluntary relinquishment of a child.
- Consultation with casework staff regarding adoption issues.
- Preparation of adoption homes studies and probate court reports.

**FOSTER CARE COORDINATOR:** Vermont Department of Social & Rehabilitation Services, St. Johnsbury, Vermont (12/86 - 4/90)

- Managed a foster care program serving approximately fifty children.
- Fiscal administration, program planning and evaluation.
- Curriculum development and in-service training.

**ASSISTANT DIRECTOR:** Upward Bound Project, Lyndon State College (9/85 - 12/86)

- Co-directed a college preparatory program for disadvantaged youth.
- Formulated program goals and evaluated outcomes.
- Co-authored a successful federal grant proposal totaling more than \$400.00.
- Training, supervision and evaluation of staff.
- Academic and career counseling.

### **EDUCATION**

**MASTERS OF SOCIAL WORK (M.S.W.)** May 1996. University of Vermont

- 1<sup>st</sup> year field internship: Reach Up Program, Vermont Department of Social Welfare
- 2<sup>nd</sup> year clinical internship: Fletcher Allen Health Care, Inpatient Psychiatric Unit

**BACHELOR OF SCIENCE (B.S.)** Behavioral Science and Special Education. May, 1984.  
Lyndon State College, Lyndonville, Vermont

### **REFERENCES**

Available upon request

## Patricia A. Couture

### EDUCATION:

- College: New Hampshire Technical College, Berlin, NH,  
Associate Nursing Degree, 1989 (May).  
Member of Phi Theta Kappa Honor Society.
- New Hampshire Board of Nursing, Concord, NH,  
License for Registered Nurse, 1990 (July).
- New Hampshire Vocational Technical College, Berlin, NH  
Practical Nursing Diploma, 1976 (June).  
Graduated with Honors.
- New Hampshire Board of Nursing, Concord, NH  
License for Practical Nursing, 1976 (October).
- Secondary School: Berlin High School, Berlin, NH.  
Graduated 1975.

### EXPERIENCE:

- 1997-Present Chief Operating Officer Coos County Family Health Services, Berlin, NH.  
Responsible for all Clinical Services Coordinator's duties. Supervise volunteers.  
Responsible for administration and overall activities of clinical services of CCFHS's sites in conjunction with the Chief Executive Officer.
- 1991-1997 Clinical Services Coordinator, Coos County Family Health Services, Berlin, NH.  
Responsible for the day-to-day administration and overall activities of clinical services at CCFHS in conjunction with the Medical Director and CEO. Supervises all clinical support staff, including office nurses. Works closely with Medical Director on scheduling and clinical flow - related activities. Implements and monitors quality management programs.
- 1986-1991 Site Coordinator, Coos County Family Health Services, Berlin, NH.  
Coordinator of three programs Family Planning, Sexually Transmitted Diseases, and HIV/AIDS. Responsible for overall clinic operation and services to over 1,000 clients. Supervise two staff counselors. Inventory and order all medical and pharmaceutical supplies for the agency. Counseling skills related to contraception, sexually transmitted diseases, HIV/AIDS, reproductive anatomy and physiology, and related issues. Complete charting documentation. Nursing diagnosis and process. Follow-up lab results, referrals, and medical services. Assist with forming policies, protocols and procedures. Attend nursing seminars and workshops for continued education.
- 1983-1986 Clinical Nurse/Counselor, (Family Planning and WIC Nutrition Programs), Coos County Family Health Services, Inc., Berlin, NH.  
Provided clinical services to the agency's 850 family planning clients and 865 WIC clients. Duties included Nursing measures and laboratory test. Counseled clients on health related issues and nutrition.

1976-1983 L.P.N. Charge Nurse, St. Vincent de Paul Nursing Home, Berlin, NH.

Responsible for twenty-nine residents. Supervised four nurse's aides. Gave oral reports. Administered medication by mouth or injection (including narcotics). Performed complete nursing care including sterile or clean dressing techniques, ostomy care, catheter care, use of oxygen and suction machines, and obtained cultures and specimens. Transcribed physician's orders and assisted as needed. Complete charting documentation including nursing process, assessment, diagnosis, care plans, client goals, outcomes and nursing interventions.

1976-1977 Private Duty Nurse, Androscoggin Valley Hospital, Berlin, NH.

Responsible for one patient. Provided complete nursing care, transcribed physician orders, complete documentation and follow-up. Responsible directly to physician and family. Administered medication. Assisted with transfer. Patient and family teaching.



COMMUNITY ACTIVITIES

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Current Assistant Treasurer of Business Enterprise Development Corporation (BEDCO)

Former member Androscoggin Valley Economic Recovery (AVER) technology taskforce

PROFESSIONAL MEMBERSHIPS

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American Institute of Certified Public Accountants

New Hampshire Society of Certified Public Accountants

**CURRICULUM VITAE**  
**William J. Gessner, MD**

**Professional Experience:**

Medical Director – Coos County Family Health Services – August, 2014 – present

Staff Physician, Coos County Family Health Services - September, 2012 - present

Institute for Family Health – January – 2010 - August - 2012

Co-Medical Director – Hudson Valley Health Specialties - 2000 - 2012

Co-Medical Director - Ulster Greene ARC - 2000 - 2012

Medical Director - UGARC - 1994 - 2000

Medical Director - Ulster Association for Retarded Citizens (currently Ulster Greene ARC) Kingston, New York 1993 - Present

Medical Director - Ulster Rehabilitation Clinic  
Kingston, New York 1993 - 2000

Co-Medical Director - Ulster Greene ARC  
2000 - 2012

Co-Medical Director - Mountainside Residential Care Center  
Margaretville, New York 1998 - 2012

Co-Medical Director - Margaretville Hospital  
Margaretville, New York 2001 - 2012

Attending Physician, Kingston Family Practice Center  
Kingston, New York 1991 - 2000

Senior VP Academic Affairs - Mid Hudson Family Health Institute  
Kingston, New York 1991 - 2000

Program Director, Mid-Hudson Rural Family Practice Residency Program  
Kingston, New York 1990 - 2000

Associate Program Director, Ulster County Rural Family Practice Residency Program  
Kingston, New York 1985 - 1990

Assistant Program Director, Ulster County Rural Family Practice Residency Program  
Kingston, New York 1984 - 1985

Attending Physician, Woodstock Family Health Center  
Woodstock, New York 1983 - 1991

Medical Director, Woodstock Family Health Center  
Woodstock, New York 1983 - 1984

Private Practice of Family Medicine  
Newport, New Hampshire 1978 - 1983

**Pre-Medical Education**

**College:** University of New Hampshire  
BA, Mathematics 1969 - 1973  
Summa Cum Laude, Phi Beta Kappa

**Medical Education**

**Medical School:** Dartmouth Medical School  
Hanover, New Hampshire  
1972 - 1975 M. D. Degree  
Honors awarded in Internal Medicine  
Maternal and Child Health, Ambulatory Care

**Internship:** University of Colorado Medical Center  
Family Medicine 1975 - 1976

**Residency:** University of Colorado Medical Center  
Family Medicine 1976 - 1978

**Medical Boards:**

Diplomate, National Board of Medical Examiners  
Diplomate, American Academy of Family Physicians

# Coos County Family Health Services

## Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ken Gordon	CEO	130,000.00	0.282%	\$ 366.00
Patricia Couture	COO	105,000.00	0.000%	\$ -
Melissa Frenette	CFO	100,000.00	0.765%	\$ 765.00
William Gessner	CMO	120,000.00	0.000%	\$ -

See  
07

GHC  
7-10-13

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BWS  
Hew



STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF DEVELOPMENTAL SERVICES

Nicholas A. Toumpas  
Commissioner  
  
Nancy L. Rollins  
Associate  
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857  
603-271-4488 1-800-852-3345 Ext. 4488  
Fax: 603-271-4902 TDD Access: 1-800-735-2964

May 28, 2013

70% General Funds  
30% Federal Funds

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community-Based Care Services, Bureau of Developmental Services, Special Medical Services Section, to enter into an agreement not to exceed \$42,332.00 with Coos County Family Health Services, Inc., 54 Willow Street, Berlin, New Hampshire 03570, (Vendor Number 155327-B001), to provide a Registered Nurse to act as the Nurse Coordinator for the Berlin Neuromotor Disabilities Clinical Program, effective July 1, 2013 or date of Governor and Council approval, whichever is later, through June 30, 2015.

Funds to support this request are anticipated to be available in the future operating account in State Fiscal Years 2014 and 2015 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.

05-95-93-930010-5191 DEPT. OF HEALTH AND HUMAN SERVICES, HHS: DEVELOPMENTAL SERVICES-DIV OF, DIV OF DEVELOPMENTAL SVSC, SPECIAL MEDICAL SERVICES

Appropriation Number	Description	SFY 2014 Amount	SFY 2015 Amount	TOTAL
561-500911	Specialty Clinics	\$21,166.00	\$21,166.00	\$42,332.00

EXPLANATION

This request will provide for a Registered Nurse to be the Nurse Coordinator for the Departments' Neuromotor Disabilities Clinical Program, Berlin site. The Nurse Coordinator shall take primary responsibility for coordinating the planning and management of clinic and community-based health care, and shall ensure continuity and follow-ups of children with neuromotor handicaps and their families residing in the area.

Currently, the Neuromotor Disabilities Clinical Program operates clinics in six locations: Berlin, Concord, Derry, Keene, Lebanon and Manchester. It is estimated that between 25-30 children will be served during SFY 2014-2015 through the Berlin Clinic.

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
May 28, 2013  
Page 2 of 2

The goal of the Neuromotor Disabilities Clinical Program is to provide community-based specialty services, which are family-centered and easily accessible. The purpose of this program is to provide management and continuity of specialty health care services for children who have neuromotor conditions including cerebral palsy, congenital anomalies, and other physical and neurological impairments, which require the combined overview of a variety of specialists.

The model of service delivery consolidates clinical evaluation services of children and families in community-based locations for economy of scale and long-term stability of the medical consultation team. Members of the team provide consultation services to the local community for school observations and technical assistance related to the complex needs of children with neuromotor problems. Continuity of care is assured based on ongoing contact with the Nurse Coordinator.

A Request for Proposals that included performance measures was placed on the Department of Health and Human Services website between January 16, 2013 and January 25, 2013. The Request for Proposals sought services statewide. Only one (1) proposal was received for this region.

After a thorough review of the proposals by the evaluation committee, Coos County Family Health Services was selected to provide the service for this region. A Bid Summary showing a comparison of the Coos County Family Health Services, Inc., proposal to all other proposals in this category is attached.

The Division of Community-Based Care Services has been contracting with Coos County Family Health Services, Inc., for 23 years for provision of a Neuromotor Disabilities Clinical Program. The Division is pleased with the performance of Coos County Family Health Services, Inc. under previous agreements.

Should Governor and Executive Council determine not to authorize this request between 25-30 children with neuromotor handicaps and their families in Coos County would not have access to coordinated planning and management of clinic and community-based health care.

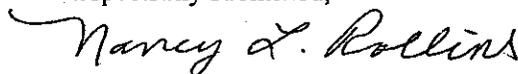
This agreement contains a provision to extend this award for up to two additional years contingent upon satisfactory service, sufficient funding, and the approval of the Governor and Executive Council.

Area served: Coos County

Source of funds: 30% Federal from Title V Block Grant and 70% General funds.

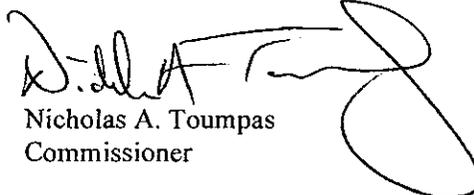
In the event that Federal funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner

**Nurse Coordinators for the Neuromotor Specialty Clinics**

Service Area	Agency Name	Average Bid Score	Contract Award SFY 2014	Contract Award SFY 2015
Coos County Neuromotor Clinic	Coos County Family Health Services, Inc.	84.0	\$21,166	\$21,166
Concord, Manchester, Derry, and Lebanon/Keene Neuromotor Clinics	Child Health Services, Inc.	88.0	\$269,275	\$269,275

SCORING SUMMARY SHEET

REQUEST FOR APPLICATIONS

NEUROMOTOR DISABILITIES CLINICAL PROGRAM

Applicant: \*Coos County Family Health Services, Inc.  
Site: Berlin Neuromotor Clinic

	<b>Total Available</b>	<b>Average Score</b>
1. Individual Qualification/Capacity	( 5 points)	<u>3</u>
2. Clinical Experience	(10 points)	<u>9</u>
3. Organizational Experience	(10 points)	<u>10</u>
4. Capacity to Perform Scope of Services	(20 points)	<u>16</u>
5. Letters of Support/Reference/CV	(10 points)	<u>10</u>
6. Service Description	(30 points)	<u>23</u>
7. Budget Plan/Cost for Services Rendered	(10 points)	<u>8</u>
8. Format	( 5 points)	<u>5</u>
<b>TOTAL</b>	<b>(100 points)</b>	<b><u>84</u></b>

Reviewers:

Diane McCann, RN, MS, PNP, Retired State Employee. (Previously had been Clinical Coordinator for Special Medical Services.)

Jane Hybsch, RN BSN MHA, Administrator, Medicaid Care Management Programs, Office of Medicaid Business and Policy. (Former Administrator, Special Medical Services.)

Alicia M. L'Esperance, BS/BA, Program Manager, Partners in Health Program.

\*This was the only proposal received, for the Neuromotor Disabilities Clinical Program, for this service area.

2016 JUN -5 PM 2:38

STATE OF NH  
DEPT OF HEALTH

Subject: Nurse Coordinator -- Neuromotor Disabilities Program Specialty Clinic

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name Special Medical Services Section Bureau of Developmental Services Division of Community Based Care Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Coos County Family Health Services, Inc.		1.4 Contractor Address 54 Willow Street Berlin, NH 03570	
1.5 Contractor Phone Number 603-752-3669	1.6 Account Number 05-95-93-930010-5191-561- 500911	1.7 Completion Date June 30, 2015	1.8 Price Limitation \$42,332.00
1.9 Contracting Officer for State Agency Nancy L. Rollins, Associate Commissioner		1.10 State Agency Telephone Number 603-271-8181	
1.11 Contractor Signature <i>Adele D. Woods</i>		1.12 Name and Title of Contractor Signatory Adele D. Woods, Executive Director	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Coos</u> On <u>4/29/13</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] <i>Linda Blanchette</i>			
1.13.2 Name and Title of Notary or Justice of the Peace <i>Linda Blanchette, Notary Public</i> LINDA BLANCHETTE, Notary Public My Commission Expires September 17, 2013			
1.14 State Agency Signature <i>Nancy L. Rollins</i>		1.15 Name and Title of State Agency Signatory Nancy L. Rollins, Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>Jeanne P. Herick, Attorney</i> On: <u>12 Jun. 2013</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

*adu*  
*4/29/13*

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**  
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").  
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**  
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**  
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.  
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.  
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.  
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.  
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.  
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.  
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

## 8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

## 9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

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

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

## 14. INSURANCE.

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

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

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

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

**15. WORKERS' COMPENSATION.**

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

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

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

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

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

CERTIFICATE OF VOTE/AUTHORITY

I, Betty A. Gosselin, of, Coos County Family Health Services do hereby certify that:

- 1. I am the duly elected Secretary of Coos County Family Health Services Inc.
- 2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Coos County Family Health Services corporation, duly held on February 21, 2013;

RESOLVED: That this corporation may enter into any and all contracts, amendments, renewals, revisions or modifications thereto, with the State of New Hampshire, acting through its Department of Health and Human Services.

RESOLVED: That the President, Vice-President, Treasurer, or Chief Executive Officer is hereby authorized on behalf of this corporation to enter into said contracts with the State and to execute any and all documents, agreements, and other instruments; and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable, or appropriate.

Adele D. Woods is the duly appointed Chief Executive Officer of the corporation.

- 3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of April 29, 2013.

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary of the corporation this 29th day of April, 2013.

Betty A. Gosselin

STATE OF New Hampshire  
COUNTY OF Coos

The foregoing instrument was acknowledged before me this 29th day of April, 2013  
by Betty A. Gosselin.

Linda Blanchette  
Notary Public/Justice of the Peace

My Commission Expires:

LINDA BLANCHETTE, Notary Public  
My Commission Expires September 17, 2013

NH Department of Health and Human Services

STANDARD EXHIBIT A

SCOPE OF SERVICES

DATE: Commencing upon date of Governor and Council approval or July 1, 2013, whichever is later, through June 30, 2015

CONTRACT PERIOD: July 1, 2013 to June 30, 2015

CONTRACTOR:

NAME: Coos County Family Health Services, Inc.

ADDRESS: 54 Willow Street

Berlin, NH

03570

TELEPHONE: 603-752-3669

FAX: 603-752-3027

EMAIL: awoods@ccfhs.org

EXECUTIVE DIRECTOR: Adele D. Woods, MS, Chief Executive Officer

The Nurse Coordinators for the Neuromotor Disabilities Program Specialty Clinics contracted with the Special Medical Services Section will focus on providing coordinated, culturally-sensitive, family-centered and community-based, comprehensive assessments of children (from birth to 21 years of age) with Neuromotor disabilities.

1. General Provisions:

- A. The Contractor will consult with the Special Medical Services Section regarding planning, resource location and coordination of community-based services.
- B. Program activities include participation in the Neuromotor Team Meetings, and additional activities as assigned by the Administrator or designee, Special Medical Services Section.
- C. In the event of a vacancy in any of the positions, the Contractor shall recruit for the position(s). The Special Medical Services Section shall maintain final approval in the selection process.

- D. In addition, the Special Medical Services Section retains the right to reorganize services to ensure continuity of service delivery.
- E. The Contractor will provide documentation of program accomplishments and clinical statistics through the reporting mechanism established by the Special Medical Services Section's administrative staff. Completes an annual report of activities and identified needs in an approved format and timeframe. Also, additional information may be requested at any time during the contract period, which the Contractor shall be required to submit.

2. Required activities of the Nurse Coordinator shall include, but not be limited to, the following:

2.1. The Nurse Coordinator shall function as a member of the Neuromotor Disabilities Program and take primary responsibility for establishing and/or coordinating the plan and management of clinic and community-based health care, and ensuring continuity and follow-ups for children with neuromotor handicaps and their families.

2.1.1. Management consists of assessment, planning, implementation and evaluation of health/medical services delivered.

2.1.2 Neuromotor Disabilities Program to include attendance at assigned Neuromotor Clinics and additional activities as assigned by the Administrator, Special Medical Services Section.

2.1.3 The anticipated annual schedule of clinics is:

Berlin	4 clinics
Lebanon/Keene	12 clinics
Manchester	12 clinics
Derry	24 clinics
Concord	12 clinics

2.2 Coordinates, plans and implements the medical treatment plan for the individual's health care needs by obtaining and incorporating information from clients, families and service agencies; reviews medical reports and writes health and social history summaries and team recommendations for the purpose of initiating individualized care plans; and communicates these recommendations to local care providers, families and service agencies.

2.3 Recommends, develops and monitors clinical policies, procedures and standards for the specialty program to maintain consistent quality, effective and appropriate services.

2.4 Manages multidisciplinary team clinics in the assigned medical specialty program. This includes scheduling and attending clinics, directing team activities and serving as a liaison between team, community providers and families. This results in the provision of integrated and organized services to children.

- 2.5 Provides information regarding community-based care and school activities to team members to facilitate integrated and organized services to children.
- 2.6 Provides direct, on-site specialty nursing care through assessment, planning, implementation and evaluation of treatment/education plans at clinics and/or home visits as a member of the health care team.
- 2.7 Provides families with information on the application for Special Medical Services.
- 2.8 Provides families with support in identifying and accessing resources for health coverage (e.g., NH Medicaid programs) and for financial assistance with health-related costs.
- 2.9 Consults with hospital-based discharge planning personnel regarding resources, and coordination of community-based consultations, diagnostics and care planning.
- 2.10 Works collaboratively with other disciplines in identifying and meeting the physical, developmental, psychological and emotional habilitation needs of children with neuromotor disabilities.
- 2.11 Demonstrates specialized clinical techniques and education to professional/non-professional caregivers in order to relay specialty knowledge.
- 2.12 Attends and participates in advisory and group meetings to evaluate program needs and develop long-range program goals.
- 2.13 Assesses developmental and health status of children (0-21) using standardized tests/observation techniques.
- 2.14 Teaches and counsels children and families about health condition, and develops patient/client informational materials.
- 2.15 Advocates for the rights and needs of children who are disabled and their families.
- 2.16 Identifies, recommends, coordinates and utilizes available community resources to meet the needs of children and their families, and functions as a liaison among agency, family and team so that health care is accessible to all children.
- 2.17 Plans, teaches and participates in seminars, clinical training programs and conferences for individuals and/or groups of health professionals and the public. This provides an understanding of the clinical condition and its effect on the child and family.
- 2.18 Provides nursing consultation to children who are disabled, their families, other team members and community providers regarding management of health needs, promotion of autonomy, need for referral and continuity of service.

Maintains and updates client records and assures confidentiality of information that services are provided in accordance with policies and procedures of the Special Medical Services Section, NH Department of Health & Human Services.

Page 8 of 31

- 2.19 Participates with team members to provide educational programs for families/health providers to upgrade their knowledge and skills.
- 2.20 Participates in the planning, development and evaluation of program goals and objectives with the Special Medical Services Section's administrative staff.
- 2.21 Participates with the Special Medical Services Section in developing, implementing and revising quality assurance activities and standards of care.
- 2.22 Attends Neuromotor Coordinator Meetings of the Special Medical Services Section when possible.
- 2.23 Documents coordination/care management activities monthly through phone logs, activity reports, client contacts/encounter sheets, and submits these reports monthly to the Special Medical Services Section, and completes an annual report all in a timely fashion for payment.
- 2.24 Reviews applications and makes determinations of medical condition eligibility based on established Special Medical Services Section protocols and professional nursing judgment. Reviews financial eligibility status based on State office guidelines and authorizes expenditures of State funds. This process assures that the appropriated funds go to medically and/or financially disabled children.
- 2.25 Meets with the Special Medical Services Section's administrative staff to jointly plan, evaluate and integrate formal educational program activities with job responsibilities as scheduled.
- 2.26 Completion of an annual report of fiscal year activities and program accomplishments.

NH Department of Health and Human Services

STANDARD EXHIBIT B

METHODS AND CONDITIONS PRECEDENT TO PAYMENT

1. The Contract Price shall not exceed \$42,332.00. Payments shall be made during SFY 2014 and SFY 2015 in accordance with the Budget attachment. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
2. Reimbursements for services provided shall be made by the State on a monthly basis after receipt, review and approval of monthly expenditure reports submitted by the Contractor to the State. These reports, which are based on a budget approved by the State, shall be in a form satisfactory to the State and shall be submitted no later than twenty (20) working days after the close of the month. In addition to the monthly expenditure reports required and not later than sixty (60) days after the end of the budget period, the Contractor shall submit a final expenditure report in a form satisfactory to the State.
3. The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses including, but not limited to, personnel costs and operating expenses related to the Services. 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 payments for capital additions or improvements, dues to societies and organizations, entertainment costs or any other costs not approved by the State. The Contractor must also have written authorization from the State prior to purchasing any equipment with a cost in excess of five hundred dollars (\$500) and/or with a useful life beyond one (1) year.
4. The Contractor agrees that, to the extent future legislative action by the NH General Court may impact on the services described herein, the State retains the right to modify expenditure requirements under this agreement.
5. The Contractor and/or the State may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the Contract Price. Such amendments shall only be made upon written request to and written approval by the State with programmatic justification.
6. In the event of a vacancy in any of the key personnel positions, the Special Medical Services Section is authorized to direct any and all budget revisions deemed necessary and appropriate by the Administrator to assure continuity of services as outlined in Exhibit A, including the cost of advertisement.
7. The Contractor shall be paid only for the total number of hours actually worked at the identified hourly rate as designated in the Budget. The total of all payments made to the Contractor for costs and expenses incurred in the performance of the Services during the period of the contract shall not exceed forty-two thousand three hundred thirty-two dollars (\$42,332.00.00). As directed by the State, funds may be adjusted, if needed and justified, between State fiscal years based upon actual incurred expenses.

Contractor Initials: adw

Date: 4/29/13

NH Department of Health and Human Services

STANDARD EXHIBIT C

SPECIAL PROVISIONS

**1. 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:

**2. 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.

**3. 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.

**4. 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.

**5. 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.

**6. 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.

**7. 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.

**8. 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 Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

8.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

8.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

8.3 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:**

9. **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:

9.1 **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.

9.2 **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.

9.3 **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

10. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the Contractor 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.

10.1 **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.

10.2 **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.

11. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

12. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department:

**12.1 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.

**12.2 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.

**13. 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.

**14. 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:

**14.1** 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.

**15. 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.

**16. 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.

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

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

- Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 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

- Monitor the subcontractor's performance on an ongoing basis
- Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- DHHS shall review and approve all subcontracts.

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

**SPECIAL PROVISIONS – DEFINITIONS**

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

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

**DEPARTMENT:** NH Department of Health and Human Services.

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

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

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

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

NH Department of Health and Human Services

STANDARD EXHIBIT C-I

ADDITIONAL SPECIAL PROVISIONS

1. Subparagraph 7.2 of the General Provisions of this agreement is hereby amended to read:  

"7.2. 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 has a contractual relationship with the State, or who is a State employee or official, elected or appointed, without prior written consent of the State. The Contracting Officer specified in Block 1.9 or his/her successor shall determine whether a conflict of interest exists."
  
2. Subparagraph 9.3. of the General Provisions of this agreement is deleted and the following paragraph added:  

"9.3. The State, and anyone it shall designate, and the Contractor shall have authority to publish, disclose, distribute and otherwise use, in whole or in part, all data, provided such data, when published, disclosed, distributed or otherwise used, shall not disclose any personal identifiers or confidential information as to any individual or organization without the prior written consent of such individual or organization."
  
3. Paragraph 14. of the General Provisions of this agreement is hereby amended to read:  

"14.1. The Contractor shall, at its sole expense, obtain and maintain in force, for the benefit of the State, the following insurance:

  - 14.1.1. Comprehensive general liability insurance in amounts not less than \$1,000,000 each occurrence and \$2,000,000 aggregate.

14.2. The policies described in subparagraph 14.1. of this paragraph shall be the standard form employed in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice thereof has been received by the State."
  
4. The following paragraphs shall be added to the General Provisions of this agreement:  

"22.1. Records and Accounts Between the Effective Date and the date seven (7) years after the Completion Date, the Contractor shall keep detailed accounts of all expenses incurred in connection with the Services including, but not limited to, costs of administration, transportation, insurance, telephone calls and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents."

"22.2. Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Contractor's normal business hours and as often as the State shall demand, the Contractor shall make available to the State all records pertaining to matters covered by this agreement. The Contractor shall permit the State to audit, examine and reproduce such records and to make audits of all invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined) and other information relating to all matters covered by this agreement. As used in this paragraph, "Contractor" includes all persons, natural or fictional, affiliated with, controlled by or under common ownership with, the entity identified as the Contractor in Block 1.3 of these General Provisions."

"22.3. Inspection of Work Performed: The State or an authorized representative shall, at all reasonable times, have the right to enter into Contractor's premises, or such other places where duties under the contract are being performed, to inspect, monitor or otherwise evaluate the work being performed. The Contractor and all subcontractors must provide access to all reasonable facilities and assistance for State representatives. All inspections and evaluations shall be performed in sushi manner as will not unduly delay work."

"22.4. Under the provisions of the Contract, personnel benefits for the Key Personnel shall be consistent with and in accordance to any adopted personnel policies of the contractor specified in Block 1.3. Health insurance benefits shall be designated by the Contract Budget."

"22.5. Third-Party Reimbursement and other sources of health services funding. The Contractor in Block 1.3 shall recover, to the maximum extent feasible, third-party revenues to which it is entitled for health services provided. Beneficiaries will not have any charges levied against them. Procedures outlined by Contractor in Block 1.3 shall identify all persons served who are eligible for third-party reimbursement, and shall be implemented at all contract sites. All income generated through third-party reimbursement shall be retained by the Contractor for the activities identified in Standard Exhibit A: Scope of Services. Records of the earnings and disposition of income must be maintained in the same manner as outlined in paragraph 22.1."

5. Following the approval by the Governor and Executive Council, this contract shall commence on or about July 1, 2013 and terminate on June 30, 2015, with an option for renewal by way of a 2-year extension (July 1, 2015 – June 30, 2017) subject to availability of funding and priorities, satisfactory performance of the Scope of Services by the Contractor, mutual agreement by the parties and approval of contract renewals by the Governor and Executive Council.
6. 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 identified in block 1.6, or any other account, in the event funds are reduced or unavailable.

NH Department of Health and Human Services

STANDARD EXHIBIT D

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) 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;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

- (c) 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);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
  - (1) Abide by the terms of the statement; and
  - (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;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted
  - (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
  - (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;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(B) 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)

54 Willow Street, Berlin, NH 03570

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

Coos County Family Health Services	From: 7/1/2013 To: 6/30/2015
(Contractor Name)	(Period Covered by this Certification)

Adele D. Woods, Executive Director	
(Name & Title of Authorized Contractor Representative)	

	4/29/13
(Contractor Representative Signature)	(Date)

Contractor Initials: adw  
 Date: 4/29/13

NH Department of Health and Human Services

STANDARD EXHIBIT E

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
\*Socia 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

Contract Period: July 1, 2013 through June 30, 2015

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.

Adele D. Woods
(Contractor Representative Signature)

Adele D. Woods, Executive Director
(Authorized Contractor Representative Name & Title)

Coos County Family Health Services
(Contractor Name)

4/29/13
(Date)

NH Department of Health and Human Services

STANDARD EXHIBIT F

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**

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) 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;
  - (c) 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
  - (d) 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.
- (2) 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**

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:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (b) 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).

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.

Adele D. Woods  
(Contractor Representative Signature)

Adele D. Woods, Executive Director  
(Authorized Contractor Representative Name & Title)

Coos County Family Health Services  
(Contractor Name)

4/29/13  
(Date)

Contractor Initials: adw  
Date: 4/29/13

NH Department of Health and Human Services  
STANDARD EXHIBIT G  
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.

Adele D. Woods  
(Contractor Representative Signature)

Adele D. Woods, Executive Director  
(Authorized Contractor Representative Name & Title)

Coos County Family Health Services  
(Contractor Name)

4/29/13  
(Date)

NH Department of Health and Human Services

STANDARD EXHIBIT H

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.

Adele D. Woods  
(Contractor Representative Signature)

Adele D. Woods, Executive Director  
(Authorized Contractor Representative Name & Title)

Coos County Family Health Services  
(Contractor Name)

4/29/13  
(Date)

NH Department of Health and Human Services

STANDARD EXHIBIT I  
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT  
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act 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.

BUSINESS ASSOCIATE AGREEMENT

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- 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.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 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.

Contractor Initials: adu  
Date: 4/29/13

- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- 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, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 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 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. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec. 13404.
- c. 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.
- d. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. 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.
- f. 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.
- g. 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.

- h. 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.
- i. 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.
- j. 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.
- k. 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 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 standard provision #10 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, and the HITECH Act as 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 and the HITECH Act.
- 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Division of Community-Based Care Services  
Bureau of Dev. Services, Special Medical Services  
The State Agency Name

Coos County Family Health Services  
Name of the Contractor

*Nancy L. Rollins*  
Signature of Authorized Representative

*Adele D. Woods*  
Signature of Authorized Representative

Nancy L. Rollins  
Name of Authorized Representative

Adele D. Woods  
Name of Authorized Representative

Associate Commissioner  
Title of Authorized Representative

Executive Director  
Title of Authorized Representative

*31 May 2013*  
Date

*4/29/13*  
Date

Contractor Initials: *adw*  
Date: *4/29/13*