

# LEWIS-MASON-THURSTON AREA AGENCY ON AGING

2404 Heritage Court SW, Olympia, WA 98502

<b>Contractor:</b> City of Olympia	<b>Agreement Number:</b> 25-1100-0090-143
<b>Contractor Address:</b> P.O. Box 1967, Olympia, WA 98507	<b>Contractor Telephone:</b> 360-753-8456
<b>Service:</b> Care Transitions	<b>Period of Performance:</b> May 1, 2025 – June 30, 2025
<b>Maximum Award:</b> \$17,763 <b>Unit Rate(s):</b> N/A	<b>Effective Date:</b> May 1, 2025
<b>Funding Source(s):</b> WA State Care Transitions Fund	<b>IRS Tax ID Number:</b> 91-6001261
<b>Contract Type:</b> <input type="checkbox"/> Fee for Service <input type="checkbox"/> Set Rate/Fixed Price/Lump Sum <input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Performance Based	

<b>Is the Contractor a Subrecipient for Purposes of This Agreement?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<b>Unique Entity Identifier (UEI) No.:</b> YGAHKBHB8B43
<b>CFDA Name:</b> <b>Federal Award ID Number:</b> <b>Federal Awarding Agency:</b>	<b>CFDA Number:</b> <b>Federal Award Date:</b> <b>Total Amount of Federal Award:</b>
<b>Is this award for Research &amp; Development?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<b>Indirect cost rate for the Federal award:</b> N/A

**Contractor Contact Person:**  
Sarena Bellovich, CARES Manager  
\_\_\_\_\_  
Name Title

**LMTAAA Contact Person:**  
Chelsea Carter, Contracts Management Supervisor  
\_\_\_\_\_  
Name Title

The terms of this Agreement are set out in and governed by the following, which are incorporated herein by reference:

- ☒ General Terms and Conditions, Exhibit A
- ☒ Statement of Work, Exhibit B
- ☒ Special Terms and Conditions, Exhibit C
- ☒ Budget, Exhibit D

- ☒ Staffing Plan, Exhibit E
- ☐ RFP Response (on file), Exhibit F
- ☒ Program Standards, Exhibit G
- ☐ Service Definitions (on file), Exhibit H

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence, in the following order, to (1) Applicable federal and state law, regulations and rules; (2) Exhibit C, Special Terms and Conditions; (3) Exhibit B, Statement of Work; (4) Exhibit A, General Terms and Conditions; and (5) Any other document incorporated by reference.

This Agreement, including all Exhibits and other documents attached or incorporated by reference, contains all of the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind the parties.

## FOR THE CONTRACTOR:

## FOR LEWIS-MASON-THURSTON AREA AGENCY ON AGING:

\_\_\_\_\_  
Contractor Signature Date

\_\_\_\_\_  
LMTAAA Signature Date

Steven J. Burney, City Manager  
\_\_\_\_\_  
Printed Name Title

Nicole Kiddoo, Executive Director  
\_\_\_\_\_  
Printed Name Title

Approved as to Form:

  
\_\_\_\_\_  
Senior Deputy City Attorney

## **GENERAL TERMS AND CONDITIONS – EXHIBIT A**

LEWIS-MASON-THURSTON AREA AGENCY ON AGING

AND

CITY OF OLYMPIA

THIS AGREEMENT, pursuant to Chapter 39.34 RCW, is made and entered into by and between the Lewis-Mason-Thurston Council of Governments, as Grantee for the Lewis-Mason-Thurston Area Agency on Aging, hereinafter referred to as "LMTAAA," and City of Olympia, hereinafter referred to as the "Contractor."

THE PURPOSE OF THIS DOCUMENT is to establish General Terms and Conditions for this Agreement between LMTAAA and the Contractor.

1. **Definitions.** As used throughout the Agreement, the following terms shall have meaning as set forth below:
  - a. "Agreement" means this Agreement, including all documents attached or incorporated by reference.
  - b. "ALTSA" means Aging and Long Term Support Administration, a division of the State of Washington Department of Social and Health Services.
  - c. "Allocable costs" are those costs which are chargeable or assignable to a particular cost objective in accordance with the relative benefits received by those costs.
  - d. "Allowable costs" are those costs necessary and reasonable for proper and efficient performance of this Agreement and in conformance with this Agreement. Allowable costs under federal awards to local or tribal governments must be in conformance with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; allowable costs under federal awards to non-profit organizations must be in conformance with OMB Circular A-122, Cost Principles for Non-Profit Organizations.
  - e. "Assignment" means the act of transferring to another the rights and obligations under this Agreement.
  - f. "Area Plan" means the document submitted by LMTAAA to DSHS for approval every four years, with updates every two years, which sets forth goals, measurable objectives, outcomes, units of service, and identifies the planning, coordination, administration, social services and evaluation of

activities to be undertaken by LMTAAA to carry out the purposes of the Older Americans Act, the Social Security Act, the Senior Citizens Services Act, or any other statute for which LMTAAA receives funds.

- g. "Business Associate" means a "Business Associate" as defined in 45 CFR 160.103, who performs or assists in the performance of an activity for or on behalf of the Covered Entity that involves the use or disclosure of protected health information (PHI). Any reference to Business Associate under this Agreement includes Business Associate's employees, agents, officers, subcontractors, third party contractors, volunteers, or directors.
- h. "Breach" means the acquisition, access, use, or disclosure of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the Protected Health Information, with the exclusions and exceptions listed in 45 CFR 164.402.
- i. "CFR" means Code of Federal Regulations. All references in this Agreement to the CFR shall include any successor, amended, or replacement regulation.
- j. "Client" means an individual who is eligible for or receiving services provided by the Contractor in connection with this Agreement.
- k. "Contractor" shall mean the entity that is a party to this Agreement, and includes the entity's officers, directors, trustees, employees and/or agents unless otherwise stated in this Agreement. For purposes of this Agreement, the Contractor or agent shall not be considered an employee of LMTAAA.
- l. "Debarment" means an action taken by a Federal official to exclude a person or business entity from participating in transactions involving certain federal funds.
- m. "Disclosure" means the release, transfer provision of, access to, or divulging in any other manner of information outside the entity holding the information.
- n. "DSHS" or "the Department" means the State of Washington Department of Social and Health Services and its employees and authorized agents.
- o. "Equipment" means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5000 or more per unit.
- p. "OAA" means "Older Americans Act" and refers to P.L. 106-501, 106th Congress, and any subsequent amendments or replacement statutes thereto.
- q. "Personal Information" means information identifiable to any person, including but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.

- r. "RCW" means the Revised Code of Washington. All references in this Agreement to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at <http://slc.leg.wa.gov/>.
  - s. "Real Property" means land, including land improvements, structures, and appurtenances thereto, excluding movable machinery and equipment.
  - t. "Regulation" means any federal, state, or local regulation, rule, or ordinance.
  - u. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Agreement.
  - v. "Subcontractor" means an individual or entity (including its officers, directors, trustees, employees, and/or agents) with whom the Contractor contracts to provide services that are approved by LMTAAA in accordance with this Agreement.
  - w. "Subrecipient" means a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A Subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.
  - x. "Supplies" means all tangible personal property other than equipment as defined herein.
  - y. "WAC" means the Washington Administrative Code. All references in this Agreement to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at <http://slc.leg.wa.gov/>.
2. **Amendment.** This Agreement, or any term or condition, may be modified only by a written amendment signed by both parties. Only personnel authorized to bind each of the parties shall sign an amendment.
  3. **Amendment Clause Exception.** The only exception to the General Term and Condition Amendment clause (Clause 2) is when an amendment must be processed to distribute federal funds to the Contractor and the funds must be obligated in a Short Timeframe. Short Timeframe means the Contractor is unable to follow their standard contract execution procedures in order to timely obligate the federal funds. By execution of this Contract, the Contractor prospectively agrees to the terms of the federal fund distribution amendment, which shall be limited to only adding funds to the Contractor's Budget. The Contractor's designated point-of-contact shall also email LMTAAA its acceptance of the amendment prior to final signing of the amendment.

4. **Assignment.** Except as otherwise provided herein, the Contractor shall not assign rights or obligations derived from this Agreement to a third party without the prior, written consent of LMTAAA and the written assumption of the Contractor's obligations by the third party.
5. **Background Checks.** The Contractor shall ensure that hiring practices for staff who will have unsupervised access to clients are in accordance with RCW 43.20A.710. A Washington State Patrol criminal history background check is required every two years for all service providers who will have unsupervised contact with vulnerable adults. This applies to individual contractors, as well as employees and/or volunteers of a contracting entity. LMTAAA will complete background checks on all individual Contractors. Contracting entities are responsible to complete required background checks on their own employees, volunteers, and subcontractors. Background checks must be conducted through Washington State Patrol's Washington Access to Criminal History (WATCH) system, DSHS's Background Check System (BCS), or a company accredited by a national association of background screeners. Those who have disqualifying crimes or negative actions per RCW 43.20A.710 cannot have unsupervised access to vulnerable adults served through this contract.
6. **Billing Procedure.** LMTAAA shall pay to the Contractor all allowable and allocable costs incurred as evidenced by proper invoice by the Contractor submitted to LMTAAA as set forth in the attached Special Terms and Conditions (Exhibit C) and in accordance with the Budget (Exhibit D), which is attached hereto and incorporated herein. The Contractor shall request payment using forms as designated by LMTAAA.
7. **Certification Regarding Ethics.** If the Contractor is a Municipality, defined as a county, city, town, district, or other municipal corporation or quasi municipal corporation organized under the laws of the state of Washington, by signing this Agreement the Contractor certifies that the Contractor is in compliance with Chapter 42.23 RCW and shall comply with Chapter 42.23 RCW throughout the term of this Agreement.
8. **Client Abuse.** The Contractor shall report all instances of suspected client abuse to DSHS, in accordance with RCW 74.34.
9. **Client Grievance.** The Contractor shall establish a system through which applicants for and recipients of services under this Agreement may present grievances about the activities of the Contractor or any Subcontractor(s) related to service delivery.
10. **Compliance with Applicable Law.** At all times during the term of this Agreement, the Contractor and LMTAAA shall comply with all applicable federal, state and local laws, regulations and rules, including but not limited to, nondiscrimination laws and regulations.
11. **Confidentiality.** The parties shall use Personal Information and other confidential information gained by reason of this Agreement only for the purpose of this Agreement. LMTAAA and the Contractor shall not otherwise disclose, transfer, or sell any such information to any other party, except as provided by law or, in the

case of Personal Information except as provided by law or with the prior written consent of the person to whom the Personal Information pertains. The parties shall maintain the confidentiality of all Personal Information and other confidential information gained by reason of this Agreement and shall return or certify the destruction of such information if allowed by law and requested in writing by the party to the Agreement that provided the information.

12. **Data Security.** The Contractor shall perform the services as set forth in accordance with Appendix 1, Data Security Requirements.
13. **Debarment Certification.** The Contractor, by signature to this Agreement, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any Federal department or agency. The Contractor also agrees to include the above requirement in all subcontracts into which it enters, resulting directly from the Contractor's duty to provide services under this Agreement.
14. **Disputes.** In the event of a dispute between LMTAAA and the Contractor, every effort shall be made to resolve the dispute informally and at the lowest level. If a dispute cannot be resolved informally, the Contractor shall follow the LMTAAA Grievance Procedure and, in writing:
  1. State the disputed issues;
  2. State the relative positions of the parties;
  3. State the Contractor's name and address; and
  4. Send to the LMTAAA Executive Director within thirty (30) days after the party could reasonably be expected to have knowledge of the issue that is being disputed.

The LMTAAA Executive Director shall review the written dispute. The Director's decision will be documented and mailed to the Contractor within thirty (30) days of the receipt. The decision of the Director shall be final and conclusive unless, within thirty (30) days from the date of mailing of the Director's decision, the Contractor mails to LMTAAA a written appeal addressed to the Chairman of the LMTAAA Council of Governments.

An appeal date will be set within sixty (60) days of receipt of the request. All parties required to participate in the appeal will be notified in writing of the appeal date at least ten (10) days prior to the appeal. A written response to all parties will be made within fifteen (15) days after the appeal.

If the Contractor is dissatisfied with the LMTAAA Council of Governments' decision, the Contractor has the right to appeal through the Department of Social and Health Services, Aging and Long Term Support Administration (AL TSA). The appeal must be in writing and filed with the AL TSA Assistant Secretary within thirty (30) days of the date the LMTAAA mailed the complaint resolution determination to the Contractor. A copy of the appeal must also be sent to the LMTAAA. The appeal shall:

1. State specifically the issue or issues and regulation or regulations involved in the basis for considering the LMTAAA's determination to be in error.
  2. Include any supporting documentation.
  3. Include a copy of the complaint and LMTAAA's determination that is being appealed.
15. **Drug-Free Workplace.** The Contractor shall maintain a workplace free from alcohol and drug abuse.
16. **Duty to Disclose Business Transactions**
- a. Pursuant to 42 CFR 455.105(b), within 35 days of the date on a request by the Secretary of the U.S. Department of Health and Human Services or DSHS, Contractor must submit full and complete information related to Contractor's business transactions that include:
    - (1) The ownership of any subcontractor with whom the Contractor has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and
    - (2) Any significant business transactions between the Contractor and any wholly owned supplier, or between the Contractor and any subcontractor, during the 5-year period ending on the date of the request.
  - b. Failure to comply with requests made under this term may result in denial of payments until the requested information is disclosed. See 42 CFR 455.105(c).
17. **Emergency Plan.** The Contractor shall have a plan for serving currently authorized clients during periods when normal services may be disrupted. This may include earthquakes, floods, snowstorms, pandemic illness, etc. The plan needs to include the maintenance of lists, including the identification of those clients who are at most risk, as well as emergency provisions for service delivery.
18. **Employee Whistleblower Rights.** For those Contracts over the simplified acquisition threshold of \$150,000 as described in 48 CFR 2.101:
- a. This Agreement and employees working on this Agreement 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 of \$150,000 as described in 48 CFR 2.101.
19. **Entire Agreement.** This Agreement, including all documents attached to or incorporated by reference, contains all the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or bind the parties.
20. **Governing Law and Venue.** The laws of the State of Washington govern this Agreement. In the event of a lawsuit by the Contractor against LMTAAA involving this Agreement, venue shall be proper only in Thurston County, Washington. In the event of a lawsuit by LMTAAA against a Contractor involving this Agreement, venue shall be proper only as provided in RCW 36.01.050.
21. **HIPAA Compliance.** The Contractor shall perform the services as set forth in accordance with Appendix 2, the Business Associate Agreement, as required by HIPAA.
22. **Incorporations.** All rights and obligations of the parties to this Agreement shall be subject to and governed by:
- a. All the applicable federal and state laws and regulations are incorporated by reference herein.
  - b. All policies and procedures in the “Policies and Procedures for Area Agency on Aging Operations Manual,” as existing and as hereafter revised, are incorporated by reference herein.
  - c. All DSHS Aging and Long Term Support Administration Management Bulletins, guidelines, standards, and policies and procedures, as existing and as hereafter revised, are incorporated by reference herein.
23. **Independent Status.** Except as otherwise provided in Section 43. Subcontracting, below, for purposes of this Agreement, the Contractor acknowledges that the Contractor is not an officer, employee, or agent of LMTAAA, DSHS, or the State of Washington. The Contractor shall not hold out itself or any of its employees as, nor claim status as, an officer, employee, or agent of LMTAAA, DSHS or the State of Washington. The Contractor shall not claim for itself or its employees any rights, privileges, or benefits, which would accrue to an employee of LMTAAA or the State of Washington. The Contractor shall indemnify and hold harmless LMTAAA from all obligations to pay or withhold federal or state taxes or contributions on behalf of the Contractor or the Contractor’s employees.
24. **Information Requirements.** The Contractor shall provide to LMTAAA the following documents, as applicable:
- a. The Contractor's liability insurance;



- b. Signature Authorizations Forms;
- c. Roster of Board of Directors, Board of Trustees, and/or Advisory Board members;
- d. Licenses and certifications;
- e. Budget;
- f. Staffing plan;
- g. Personnel policies and procedures;
- h. Job descriptions;
- i. By-laws; and
- j. Articles of Incorporation.

All documents listed above must be submitted annually and/or as changes occur throughout the term of this Agreement, with any changes made from previous documents on file with LMTAAA indicated with an asterisk, along with the date changes were formally adopted. All of the above documents are subject to review and approval by LMTAAA. Should such changes affect the scope of this Agreement, LMTAAA reserves the right to amend or terminate this Agreement.

25. **Inspection.** Either party may request reasonable access to the other party's records and place of business for the limited purpose of monitoring, auditing, and evaluating the other party's compliance with this Agreement and applicable laws and regulations. During the term of this Agreement and for one (1) year following termination or expiration of this Agreement, the parties shall, upon receiving reasonable written notice, provide the other party with access to its place of business and to its records which are relevant to its compliance with this Agreement and applicable laws and regulations. This provision shall not be construed to give either party access to the other party's records and place of business for any other purpose. Nothing herein shall be construed to authorize either party to possess or copy records of the other party.
26. **Insurance.** The Contractor certifies that it is self-insured, is a member of a risk pool, or maintains the types and amounts of insurance identified below and shall, prior to and throughout the term of this Agreement, provide certificates of insurance to that effect to LMTAAA.

Commercial General Liability Insurance (CGL) – to include coverage for bodily injury, property damage, and contractual liability with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of premises, operations, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, DSHS and LMTAAA shall be named as additional insureds.

Business Automobile Coverage – The Contractor shall maintain Business Automobile Liability insurance on all vehicles used to transport clients, including vehicles hired by the Contractor or owned by the Contractor's employees, volunteers or others, with the following minimum limits: \$1,000,000 per accident, combined single limit. The Contractor's carrier shall provide DSHS and LMTAAA with a waiver of subrogation or name DSHS and LMTAAA as an additional insured.

Exclusions or Waivers to Insurance Requirements- The following types of contractors are excluded from any insurance requirements: State colleges and universities (except the University of Washington), consultants, trainers, facilitators, speakers, Indian Tribes and Individual Providers.

The additional insured requirement is waived for providers who are insured through insurance pools.

27. **Maintenance of Records.** During the term of this Agreement and for six (6) years following termination or expiration of this Agreement, both parties shall maintain records sufficient to:

- a. Document performance of all acts required by law, regulation, or this Agreement;
- b. Demonstrate accounting procedures, practices and records that sufficiently and properly document the Contractor's invoices to LMTAAA and all expenditures made by the Contractor to perform as required by this Agreement.

For the same period, the Contractor shall maintain records sufficient to substantiate the Contractor's statement of its organization's structure, tax status, capabilities, and performance.

28. **Medicaid Fraud Control Unit (MFCU).** As required by federal regulations, the Health Care Authority, the Department of Social and Health Service, and any contractors or subcontractors, shall promptly comply with all MFCU requests for records or information. Records and information includes, but is not limited to, records on micro-fiche, film, scanned or imaged documents, narratives, computer data, hard copy files, verbal information, or any other information the MFCU determines may be useful in carrying out its responsibilities.

29. **Order of Precedence.** In the event of an inconsistency in the Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence, in the following order, to:

1. Applicable federal CFR, CMS Waivers and Medicaid State Plan;
2. State of WA statutes and regs;
3. AL TSA MB's and policy manuals;
4. This Agreement; and
5. LMTAAA's Area Plan.

30. **Ownership of Client Assets.** The Contractor shall ensure that any client for whom the Contractor or Subcontractor is providing services under this Agreement shall have unrestricted access to the client's personal property. For purposes of this paragraph, client's personal property does not pertain to client records. The Contractor or Subcontractor shall not interfere with the client's ownership, possession, or use of such property. Upon termination of this Agreement, the Contractor or Subcontractor shall immediately release to the client and/or LMTAAA all of the client's personal property.
31. **Ownership of Material.** Material created by the Contractor and paid for by LMTAAA as a part of this Agreement shall be owned by LMTAAA and shall be "work made for hire" as defined by Title 17 USCA, Section 101. This material includes, but is not limited to: books; computer programs; documents; films; pamphlets; reports; sound reproductions; studies; surveys; tapes; and/or training materials. Material which the Contractor uses to perform this Agreement but is not created for or paid for by LMTAAA is owned by the Contractor and is not "work made for hire"; however, LMTAAA shall have a license of perpetual duration to use, modify, and distribute this material at no charge to LMTAAA, provided that such license shall be limited to the extent which the Contractor has a right to grant such a license.
32. **Ownership of Real Property, Equipment and Supplies Purchased by the Contractor.** Title to all property, equipment and supplies purchased by the Contractor with funds from this Agreement shall vest in the Contractor. When real property, or equipment with a per unit fair market value over \$5,000, is no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA. If the per unit fair market value of equipment is under \$5,000, the Contractor may retain, sell, or dispose of it with no further obligation.

When supplies with a total aggregate fair market value over \$5000 are no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA. If the total aggregate fair market value of equipment is under \$5000, the Contractor may retain, sell, or dispose of it with no further obligation.

Disposition and maintenance of property shall be in accordance with 45 CFR Parts 92 and 74.

33. **Ownership of Real Property, Equipment and Supplies Purchased by LMTAAA.** Title to property, equipment and supplies purchased by LMTAAA and provided to the Contractor to carry out the activities of this Agreement shall remain with LMTAAA. When real property, equipment or supplies are no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA.

Disposition and maintenance of property shall be in accordance with 45 CFR Parts 92 and 74.

34. **Payment.** LMTAAA shall pay the Contractor upon acceptance by LMTAAA of properly completed invoices and approval of required reports. LMTAAA shall pay the Contractor an amount not to exceed the maximum consideration of this Agreement for the satisfactory performance of all work set forth in the Statement of Work (Exhibit B). If this Agreement is terminated, LMTAAA shall only pay for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

If the Contractor claims and is reimbursed for costs under this Agreement which LMTAAA later finds were claimed in error or not allowable costs under the terms of this Agreement, LMTAAA shall recover those costs and the Contractor shall fully cooperate during such recovery.

The Contractor shall not charge or accept additional payment from any client or relative, friend, guardian, or attorney of the client, or any other person for services provided under this Agreement. In the event that this provision is violated, LMTAAA shall have the right to assert a claim against the Contractor on its own behalf and/or on behalf of the client.

LMTAAA shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Agreement. Unless otherwise specified in this Agreement, LMTAAA shall not pay any claims for payment for services submitted more than forty-five (45) days after completion of the Agreement period. The Contractor shall not bill LMTAAA for services performed under this Agreement, and LMTAAA shall not pay the Contractor, if the Contractor has charged or will charge the State of Washington, LMTAAA or any other party under any other contract or agreement for the same services.

35. **Program Income.** All program income derived from the provision of services described in this Agreement (i.e. client donations), and/or derived or generated through program fundraising activities supported by funds authorized through this Agreement, shall be used by the Contractor to provide increased levels of service or improve the quality of services as set forth in the Statement of Work (Exhibit B). The Contractor shall report all program income to LMTAAA when it is received. The Contractor shall use program income prior to funds authorized through this Agreement. If actual program income received is significantly higher than what was projected in the budget, the Contractor shall notify LMTAAA and request LMTAAA approval as to how such program income will be used.

The Contractor shall assure that clients receiving Older Americans Act services have the opportunity to make a voluntary donation towards the cost of service provided under this Agreement. The Contractor shall assure that the methods of receiving donations from individuals shall be handled in such a manner to ensure confidentiality. The Contractor shall not differentiate among individuals based on their ability, or inability, to make a donation.

36. **Public Information.** All notices, informational brochures, press releases, research reports, and similar public notices prepared and released by the Contractor for the services described in this Agreement shall include a statement indicating the funding source as awarded under this Agreement with the Lewis-

Mason-Thurston Area Agency on Aging. Failure to comply with the requirements of this section may result in the termination or suspension of this Agreement and/or non-reimbursement for the costs of said brochures, advertising, etc.

37. **Responsibility.** Each party to this Agreement shall be responsible for the negligence of its officers, employees, and agents in the performance of this Agreement. No party to this Agreement shall be responsible for the acts and/or omissions of entities or individuals not party to the Agreement. LMTAAA and the Contractor shall cooperate in the defense of tort lawsuits, when possible. Both parties agree and understand that this provision may not be feasible in all circumstances. LMTAAA and the Contractor agree to notify the attorneys of record in any tort lawsuit where both are parties if either LMTAAA or the Contractor enters into settlement negotiations. It is understood that the notice shall occur prior to any negotiations, or as soon as possible, and the notice may be either written or oral.
38. **Restrictions Against Lobbying.** The Contractor certifies to the best of its knowledge and belief that no federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of a federal agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

If any funds other than federal appropriated funds have or will be paid for the purposes stated above, the Contractor must file a disclosure form in accordance with 45 CFR Section 93.110.

The Contractor shall include a clause in all subcontracts restricting subcontractors from lobbying in accordance with this section and requiring subcontractors to certify and disclose accordingly.

39. **Same-Sex Marriage.** The Contractor shall, in carrying out the requirements of this Contract, recognize any same-sex marriage legally entered into in a U.S. jurisdiction that recognizes their marriage, including one of the 50 states, the District of Columbia or a U.S. Territory, or in a foreign country so long as that marriage would also be recognized by a U.S. jurisdiction. This applies regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. However, this does not apply to registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage. Accordingly, recipients must review and revise, as needed, any policies and procedures which interpret or apply Federal statutory or regulatory references to such terms as “marriage,” “spouse,” family,” “household member” or similar references to familial relationships to reflect inclusion of same-sex spouse and marriages. Any similar familial terminology references in HHS statutes, regulations, or policy transmittals will be interpreted to include same-sex spouses and marriages legally entered into as described herein. United States v. Windsor, 133 S.Ct. 2675 (June 26, 2013); section 3 of the Defense of Marriage Act, codified at 1 USC §7.

40. **Severability.** The provisions of this Agreement are severable. If any court holds any provision of this Agreement, including any provision of any document incorporated by reference, invalid, that invalidity shall not affect the other provisions of this Agreement.
41. **State or Federal Audit Requests.** The Contractor is required to respond to State or Federal audit requests for records or documentation, within the timeframe provided by the requestor. The Contractor must provide all records requested to either State or Federal agency staff or their designees.
42. **Statement of Work.** The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth in the attached Statement of Work (Exhibit B).
43. **Subcontracting.**
- a. The Contractor must obtain prior written approval from LMTAAA to subcontract any portion of the services provided within the terms of this Agreement.
  - b. Any subcontracts shall be in writing and the Contractor shall be responsible to ensure that all terms, conditions, assurances and certifications set forth in this Agreement are included in any and all client services subcontracts unless an exception to including a particular term or terms has been approved in advance by LMTAAA.
  - c. Subcontractors are prohibited from further subcontracting for direct client services without prior written approval from LMTAAA.
  - d. When the nature of the service the Subcontractor is to provide requires a certification, license or approval, the Contractor may only subcontract with such Subcontractors that have and agree to maintain the appropriate license, certification or accrediting requirements/standards.
  - e. In any contract or subcontract awarded to or by the Contractor in which the authority to determine service recipient eligibility is delegated to the Contractor or to a Subcontractor, such contract or subcontract shall include a provision acceptable to LMTAAA that specifies how client eligibility will be determined and how service applicants and recipients will be informed of their right to a grievance procedure in case of denial or termination of a service, or failure to act upon a request for services with reasonable promptness.
  - f. If LMTAAA, the Contractor, and a Subcontractor of the Contractor are found by a jury or trier of fact to be jointly and severally liable for damages arising from any act or omission from this Agreement, then LMTAAA shall be responsible for its proportionate share, and the Contractor shall be responsible for its proportionate share. Should the Subcontractor be unable to satisfy its joint and several liability, LMTAAA and the Contractor shall share in the Subcontractor's unsatisfied proportionate share in direct proportion to the respective percentage of their fault as found by the jury or trier of fact. Nothing in this term shall be construed as creating a right or remedy of any kind or

nature in any person or party other than LMTAAA and the Contractor. This term shall not apply in the event of a settlement by either LMTAAA or the Contractor.

- g. Any subcontract shall designate subcontractor as Contractor's Business Associate, as defined by HIPAA, and shall include provisions as required by HIPAA for Business Associate contract. The Contractor shall ensure that all client records and other PHI in possession of subcontractor are returned to Contractor at the termination or expiration of the subcontract.

#### **44. Subrecipients.**

- a. General. If the Contractor is a Subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:
  - (1) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
  - (2) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
  - (3) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
  - (4) Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractor who are Subrecipients;
  - (5) Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and
  - (6) Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of the Civil Right Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II of the Americans with Disabilities Act of 1990; Title IX of the Education Amendments of 1972; The Age Discrimination Act of 1975; and The Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, and G, and 28 CFR Part 35 and Part 39. (Go to [www.ojp.usdoj.gov/ocr/](http://www.ojp.usdoj.gov/ocr/) for additional information and access to the aforementioned Federal laws and regulations.)
  - (7) Comply with federal grant sub-recipient requirements contained in 45 CFR 92.
- b. Single Audit Act Compliance. If the Contractor is a Subrecipient and expends \$750,000 or more in federal awards from all sources in any fiscal year, the

Contractor shall procure and pay for a single audit or a program-specific audit for the fiscal year. Upon completion of each audit, the Contractor shall:

- (1) Submit to LMTAAA the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;
  - (2) Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F, prepare a "Summary Schedule of Prior Audit Findings" reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.
- c. Overpayments. If it is determined by LMTAAA, or during the course of the required audit, that the Contractor has been paid unallowable costs under this Agreement, LMTAAA may require the Contractor to reimburse LMTAAA in accordance with 2 CFR Part 200.
- (1) For any identified overpayment involving a subcontract between the Contractor and a Tribe, LMTAAA agrees it will not seek reimbursement from the Contractor, if the identified overpayment was not due to any failure by the Contractor.

45. **Survivability.** The terms and conditions contained in this Agreement, which by their sense and context, are intended to survive the expiration of the particular agreement shall survive. Surviving terms include, but are not limited to: Confidentiality, Disputes, Inspection, Maintenance of Records, Ownership of Material, Responsibility, Termination for Default, Termination Procedure, and Title to Property.

46. **Contract Renegotiation, Suspension, or Termination Due to Change in Funding.** If the funds LMTAAA relied upon to establish this Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Agreement:

- a. At LMTAAA's discretion, the Agreement may be renegotiated under the revised funding conditions.
- b. At LMTAAA's discretion, LMTAAA may give notice to the Contractor to suspend performance when LMTAAA determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow the Contractor's performance to be resumed prior to the normal completion date of this contract.
  - (1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.
  - (2) When LMTAAA determines that the funding insufficiency is resolved, it will give the Contractor written notice to resume performance. Upon the



receipt of this notice, the Contractor will provide written notice to LMTAAA informing LMTAAAA whether it can resume performance and, if so, the date of resumption. For purposes of this sub-subsection, "written notice" may include email.

(3) If the Contractor's proposed resumption date is not acceptable to LMTAAA and an acceptable date cannot be negotiated, LMTAAA may terminate the contract by giving written notice to the Contractor. The parties agree that the Agreement will be terminated retroactive to the date of the notice of suspension. LMTAAA shall be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the retroactive date of termination.

c. LMTAAA may immediately terminate this Agreement by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. LMTAAA shall be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the effective date of termination. No penalty shall accrue to LMTAAA in the event the termination option in this section is exercised.

**47. Termination for Convenience.** Either party may terminate this Agreement in whole or in part for convenience by giving a minimum of thirty (30) calendar days' written notice addressed to the other party.

**48. Termination for Default.**

a. LMTAAA may terminate this Agreement for default, in whole or in part, by written notice to the Contractor, if LMTAAA has a reasonable basis to believe that the Contractor has:

(1) Failed to meet or maintain any requirement for contracting with LMTAAA;

(2) Failed to perform, or perform adequately, under any provision of this Agreement;

(3) Violated any law, regulation, rule, or ordinance applicable to this Agreement; and/or

(4) Otherwise breached any provision or condition of this Agreement.

b. Before LMTAAA may terminate this Agreement for default, LMTAAA shall provide the Contractor with written notice of the Contractor's noncompliance with the Agreement and provide the Contractor a reasonable opportunity to correct the Contractor's noncompliance. If the Contractor does not correct the Contractor's noncompliance within the period of time specified in the written notice of noncompliance, LMTAAA may then terminate the Agreement. LMTAAA may terminate the Agreement for default without such written notice and without opportunity for correction if LMTAAA has a reasonable basis to believe that a client's health or safety is in jeopardy.

c. The Contractor may terminate this Agreement for default, in whole or in part,

by written notice to LMTAAA, if the Contractor has a reasonable basis to believe that LMTAAA has:

- (1) Failed to meet or maintain any requirement for contracting with the Contractor;
  - (2) Failed to perform under any provision of this Agreement;
  - (3) Violated any law, regulation, rule, or ordinance applicable to this Agreement; and/or
  - (4) Otherwise breached any provision or condition of this Agreement.
- d. Before the Contractor may terminate this Agreement for default, the Contractor shall provide LMTAAA with written notice of LMTAAA's noncompliance with the Agreement and provide LMTAAA a reasonable opportunity to correct LMTAAA's noncompliance. If LMTAAA does not correct LMTAAA's noncompliance within the period of time specified in the written notice of noncompliance, the Contractor may then terminate the Agreement.

**49. Termination Procedure.** The following provisions apply in the event this Agreement is terminated:

- a. The Contractor shall cease to perform any services required by this Agreement as of the effective date of termination, and shall comply with all reasonable instructions contained in the notice of termination which are related to the transfer of clients, distribution of property, and termination of services.
- b. The Contractor shall promptly deliver to LMTAAA, all LMTAAA assets (property) in the Contractor's possession, including any material created under this Agreement. Upon failure to return LMTAAA property within ten (10) working days of the Agreement termination, the Contractor shall be charged with all reasonable costs of recovery, including transportation. The Contractor shall take reasonable steps to protect and preserve any property of LMTAAA that is in the possession of the Contractor pending return to LMTAAA.
- c. LMTAAA shall be liable for and shall pay for only those services authorized and provided through the effective date of termination. LMTAAA may pay an amount mutually agreed by the parties for partially completed work and services, if work products are useful to or usable by LMTAAA.
- d. If LMTAAA terminates this Agreement for default, LMTAAA may withhold a sum from the final payment to the Contractor that LMTAAA determines necessary to protect LMTAAA against loss or additional liability. LMTAAA shall be entitled to all remedies available at law, in equity, or under this Agreement. If it is later determined the Contractor was not in default, or if the Contractor terminated this Agreement for default, the Contractor shall be entitled to all remedies available at law, in equity, or under this Agreement.

**50. Treatment of Client Property.** Unless otherwise provided in the applicable

Agreement, the Contractor shall ensure that any adult client receiving services from the Contractor under this Agreement has unrestricted access to the client's personal property. The Contractor shall not interfere with any adult client's ownership, possession, or use of the client's property. The Contractor shall provide clients under age eighteen (18) with reasonable access to their personal property that is appropriate to the client's age, development, and needs. Upon termination of completion of this Agreement, the Contractor shall promptly release to the client and/or the client's guardian or custodian all of the client's personal property. This section does not prohibit the Contractor from implementing such lawful and reasonable policies, procedures and practices as the Contractor deems necessary for safe, appropriate, and effective service delivery (for example, appropriately restricted clients' access to, or possession or use of, lawful or unlawful weapons and drugs).

51. **Waiver.** Waiver of any breach of default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Agreement unless amended as set forth in the section entitled "Amendment". Only LMTAAA has the authority to waive any term or condition of this Agreement on behalf of LMTAAA.

# GENERAL TERMS AND CONDITIONS

## APPENDIX 1

### Data Security Requirements

1. **Definitions.** The words and phrases listed below, as used in this Appendix, shall each have the following definitions:
  - a. "AES" means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (<http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf>).
  - b. "Authorized Users(s)" means an individual or individuals with a business need to access DSHS/LMTAAA Confidential Information, and who has or have been authorized to do so.
  - c. "Business Associate Agreement" means an agreement between LMTAAA and a contractor who is receiving Data covered under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996. The agreement establishes permitted and required uses and disclosures of protected health information (PHI) in accordance with HIPAA requirements and provides obligations for business associates to safeguard the information.
  - d. "Category 4 Data" is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. Data classified as Category 4 includes but is not limited to data protected by: the Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191 as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), 45 CFR Parts 160 and 164; the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99; Internal Revenue Service Publication 1075 (<https://www.irs.gov/pub/irs-pdf/p1075.pdf>); Substance Abuse and Mental Health Services Administration regulations on Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2; and/or Criminal Justice Information Services, 28 CFR Part 20.
  - e. "CARE" means Comprehensive Assessment and Reporting Evaluation. CARE is the tool used by case managers to document a client's functional ability, determine eligibility for long-term care services, evaluate what and how much assistance a client will receive, and develop a plan of care. CARE interfaces to the Consumer Direct Caregiver Network of WA (CDWA) and the legacy Tailored Caregiver Assessment and Referral (TCARE) system and their reporting systems for demographic, assessment and service plan information.
  - f. "CLC" means Community Living Connections, Washington State's name

- for its No-Wrong-Door access network of Area Agencies on Aging and their state, regional and local partners.
- g. "CLC-GetCare" means a version of RTZ's GetCare product modified to support Washington State's Community Living Connections. It is used for managing programs funded by the Older Americans Act, CMS, state general fund, local resources, and federal grants, including Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA). It supports reporting for the National Aging Program Information System and Medicare Improvements for Providers Act. It also supports the CLC public website with a consumer portal and a resource directory.
  - h. "Cloud" means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iTunes, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, and Rackspace.
  - i. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key"; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
  - j. "FedRAMP" means the Federal Risk and Authorization Management Program (see [www.fedramp.gov](http://www.fedramp.gov)), which is an assessment and authorization process that federal government agencies have been directed to use to ensure security is in place when accessing Cloud computing products and services.
  - k. "GetCare" is a secure cloud-based platform for client and program management. It is a product of RTZ Systems.
  - l. "Hardened Password" means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.
  - m. "Mobile Device" means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.
  - n. "Multi-factor Authentication" means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of

- something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. "PIN" means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.
- o. "Portable Device" means any computing device with a small form factor, designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.
  - p. "Portable Media" means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes, optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.
  - q. "Provider One" means Provider One payment system. Provider One is used to provide authorization and payment processing for services delivered to DSHS clients.
  - r. "SAW" means SecureAccess Washington. SAW is a single sign-on application gateway created by Washington State's Department of Information Services to access government services accessible via the Internet.
  - s. "Secure Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.
  - t. "Trusted Network" means a network operated and maintained by the Contractor, which includes security controls sufficient to protect LMTAAA/DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.
  - u. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other

mechanism, authenticates a user to an information system.

- v. "User" means the Contractor employee who has registered or approved access to a system listed in this Agreement.

**2. Systems Access and Method of Access.** The Contractor may request permission to access the following:

- a. Provider One payment system, or successor payment system, for payment data; and
- b. The Community Living Connections (CLC)/GetCare System in order to manage, record, and report service provision and utilization, demographic, resource directory, and consumer website information.

The Contractor shall follow the access request procedures and follow the required security measures specific to each individual system (as provided by ALTSA/HCS/LMTAAA). The Contractor shall access these systems through the State Government Network (SGN), the Inter-Governmental Network (IGN), SecureAccess Washington (SAW), or through a DSHS approved method of secure access.

**3. Access and Disclosure Information.** The Contractor shall not disclose the contents of any client records, files, papers and communications except as necessary for the administration of programs to provide services to clients as required by law.

- a. The Contractor shall limit access to client data to staff whose duties specifically require access to such data in the performance of their assigned duties. Contractor staff shall not access any individual client data for personal purposes. Clients shall only be permitted to access their own data
- b. The Contractor shall ensure each employee with access to data systems signs the *Contractor Agreement on Nondisclosure of Confidential Information* form, provided by LMTAAA, to acknowledge the data access requirements prior to LMTAAA granting access. Access will be given only to data necessary to the performance of this Agreement. The Contractor shall retain the original Nondisclosure form on file. The Contractor shall have the form available for LMTAAA review upon request.
- c. The Contractor must provide an annual written reminder of the Nondisclosure requirements to all employees with access to data to remind them of the limitations, use or publishing of data. The Contractor shall retain documentation of such reminder on file for monitoring purposes.
- d. The Contractor shall not use or disclose any information concerning any client for any purpose not directly connected with the administration of the Contractor's responsibilities under this Agreement except by prior written consent of the client, his/her attorney, parent or guardian.
- e. LMTAAA and the Contractor may disclose information to each other or to

DSHS for purposes directly connected with the administration of DSHS/LMTAAA programs. This includes, but is not limited to, determining eligibility, providing services, and participation in an audit. The Contractor shall disclose information for research, statistical, monitoring and evaluation purposes conducted by appropriate federal agencies, DSHS and LMTAAA. LMTAAA must authorize in writing the disclosure of this information to any other party not identified in this section.

- f. The Contractor shall not link the data with personal data or individually identifiable data from any other source nor re-disclose the data unless specifically authorized in this Agreement or by the prior written consent of LMTAAA.
- g. The Contractor shall notify LMTAAA within five business days when a User leaves employment or otherwise no longer requires system access. Upon notification, the system Administrator will deactivate the User ID and terminate access to the applicable application(s).
- h. The Contractor shall ensure that only registered system Users access and use the systems in this Agreement, use only their own User ID and password to access the systems and do not allow employees who are not registered to borrow a User ID or password to access any systems.
- i. Access to systems may be continuously tracked and monitored. LMTAAA and DSHS reserve the right at any time to conduct audits of systems access and use, and to investigate possible violations of this Agreement and/or violations of federal and state laws and regulations governing access to protected health information.

**4. Dissemination to Staff.** Prior to making information available to new staff and annually thereafter, the Contractor shall ensure that staff accessing the Personal Information or PHI under this Agreement are trained in HIPAA use and disclosure of PHI requirements and understand:

a. Confidentiality of Client Data

- (1) Client data is confidential and is protected by various state and federal laws. The basis for this protection is the individual's right to privacy as outlined in the HIPAA Privacy Rule- 45 CFR 160 to 45 CFR 164.
- (2) Personal Information means demographic and financial information about a particular individual that is obtained through one or more sources (such as name, address, SSN, and phone numbers). RCW 42.56.210 lists the information that is exempted from public inspection and copying.

b. Use of Client Data

- (1) Client data may be used only for purposes of these contracted services, directly related to providing services to the client or for the operation of aging and long-term care programs.



- (2) Any personal use of client information is strictly prohibited.
- (3) Access to data must be limited to those staff whose duties specifically require access to such data in the performance of their assigned duties.

c. Disclosure of Information

- (1) Client information may be provided to the client, client's authorized guardian, or a client-authorized 3rd party per WAC 388-01.
- (2) Client information may be disclosed to other individuals or agencies only for purposes of administering DSHS/LMTAAA programs, within regulatory constraints for each data type.
- (3) Questions related to disclosure are to be directed to the LMTAAA Contracts Manager.
- (4) Any disclosure of information contrary to this section is unauthorized and is subject to penalties identified in law

**5. Security of Data.**

- a. The Contractor shall take reasonable precautions to secure against unauthorized physical and electronic access to data, which shall be protected in a manner that prevents unauthorized persons, including the general public, from retrieving data by means of computer, remote terminal, or other means. The Contractor shall take due care to ensure the Contractor and its subcontractors protect said data from unauthorized physical and electronic access. The data will be stored on computers with security systems that require individual user IDs and hardened passwords. Only persons who have signed the *Contractor Agreement on Nondisclosure of Confidential Information* form will be able to access the data that Washington State shares with LMTAAA and the Contractor under this Agreement.
- b. The Contractor shall ensure disks and/or documents generated in printed form from the electronic file are properly returned, destroyed or shredded when no longer needed so unauthorized individuals cannot access client information. Data destroyed shall include all copies of any data sets in possession after the data has been used for the purpose specified herein or within 30 days of the date of termination, and certify such destruction to LMTAAA. LMTAAA shall be responsible for destroying the returned documents to ensure confidentiality is maintained. The Data provided by DSHS/LMTAAA will remain the property of DSHS/LMTAAA and will be promptly destroyed as allowed by law and when the Contractor and its subcontractors have completed the work for which the information was required, as fully described herein.
- c. The Contractor shall protect information according to state and federal laws including the following incorporated by reference:

- (1) Privacy Act 1974 5 USC subsection 552a;
  - (2) Chapter 40.14 RCW Preservation and Destruction of Public Records;
  - (3) Chapter 74.04 RCW General Provisions – Administration;
  - (4) Chapter 42.56.210 RCW Certain Personal & Other Records Exempt;
  - (5) 45 CFR 205.50 provides for safeguarding information for the financial assistance programs and identifies limitations to disclosure of said information; and
  - (6) Public Law 99-508 (18 USC section 2510et. Seq. Electronic Communications Privacy Act of 1986) Part A of Title IV of the Social Security Act authorizes disclosure of client information and provides for safeguards, which restrict the use or disclosure of information concerning applicants or recipients to purposes directly connected with administration of the program.
- d. When transporting DSHS/LMTAAA Confidential Information electronically, including via email, the data will be protected by encryption in transit as well as at rest, otherwise known as “end to end” encryption, of at least 256 MB.
6. **Authority.** The security requirements described in this document reflect the applicable requirements of Standard 141.10 (<https://ocio.wa.gov/policies>) of the Office of the Chief Information Officer for the state of Washington, and of the DSHS Information Security Policy and Standards Manual. Reference material related to these requirements can be found here: <https://www.dshs.wa.gov/ffa/keeping-dshs-client-information-private-and-secure>, which is a site developed by the DSHS Information Security Office and hosted by DSHS Central Contracts and Legal Services.
7. **Administrative Controls.** The Contractor must have the following controls in place:
- a. A documented security policy governing the secure use of its computer network and systems, and which defines sanctions that may be applied to Contractor staff for violating that policy.
  - b. If the Data shared under this agreement is classified as Category 4, the Contractor must be aware of and compliant with the applicable legal or regulatory requirements for that Category 4 Data.
  - c. If Confidential Information shared under this agreement is classified as Category 4, the Contractor must have a documented risk assessment for the system(s) housing the Category 4 Data.
8. **Authorization, Authentication, and Access.** In order to ensure that access to the Data is limited to authorized staff, the Contractor must:
- a. Have documented policies and procedures governing access to systems

with the shared Data.

- b. Restrict access through administrative, physical, and technical controls to authorized staff.
- c. Ensure that user accounts are unique and that any given user account logon ID and password combination is known only to the one employee to whom that account is assigned. For purposes of non-repudiation, it must always be possible to determine which employee performed a given action on a system housing the Data based solely on the logon ID used to perform the action.
- d. Ensure that only authorized users are capable of accessing the Data.
- e. Ensure that an employee's access to the Data is removed immediately:
  - (1) Upon suspected compromise of the user credentials.
  - (2) When their employment, or the contract under which the Data is made available to them, is terminated.
  - (3) When they no longer need access to the Data to fulfill the requirements of the contract.
- f. Have a process to periodically review and verify that only authorized users have access to systems containing DSHS/LMTAAA Confidential Information.
- g. When accessing the Data from within the Contractor's network (the Data stays within the Contractor's network at all times), enforce password and logon requirements for users within the Contractor's network, including:
  - (1) A minimum length of 8 characters, and containing at least three of the following character classes: uppercase letters, lowercase letters, numerals, and special characters such as an asterisk, ampersand, or exclamation point.
  - (2) That a password does not contain a user's name, logon ID, or any form of their full name.
  - (3) That a password does not consist of a single dictionary word. A password may be formed as a passphrase which consists of multiple dictionary words.
  - (4) That passwords are significantly different from the previous four passwords. Passwords that increment by simply adding a number are not considered significantly different.
- h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Contractor's network), mitigate risk and enforce password and logon requirements for

users by employing measures including:

- (1) Ensuring mitigations applied to the system don't allow end-user modification.
  - (2) Not allowing the use of dial-up connections.
  - (3) Using industry standard protocols and solutions for remote access. Examples would include RADIUS and Citrix.
  - (4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.
  - (5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.
  - (6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point.
- i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:
- (1) The PIN or password must be at least 5 letters or numbers when used in conjunction with at least one other authentication factor
  - (2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)
  - (3) Must not contain a "run" of three or more consecutive numbers (12398, 98743 would not be acceptable)
- j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:
- (1) Be a minimum of six alphanumeric characters.
  - (2) Contain at least three unique character classes (upper case, lower case, letter, number).
  - (3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.
- k. Render the device unusable after a maximum of 10 failed logon attempts.

**9. Protection of Data.** The Contractor agrees to store Data on one or more of the following media and protect the Data as described:

- a. **Hard disk drives.** For Data stored on local workstation hard disks, access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
- b. **Network server disks.** For Data stored on hard disks mounted on network servers and made available through shared folders, access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS/LMTAAA Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 12 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.

- c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by LMTAAA on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS/LMTAAA Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by LMTAAA on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- e. **Paper documents.** Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.

f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor's staff. Contractor will notify the LMTAAA Contracts Manager immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.

g. **Data storage on portable devices or media.**

(1) Except where otherwise specified herein, DSHS/LMTAAA Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:

(a) Encrypt the Data.

(b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.

(c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.

(d) Apply administrative and physical security controls to Portable Devices and Portable Media by:

i. Keeping them in a Secure Area when not in use,

ii. Using check-in/check-out procedures when they are shared, and

iii. Taking frequent inventories.

(2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data, even if the Data is encrypted.

h. **Data stored for backup purposes.**

(1) DSHS/LMTAAA Confidential Information may be stored on Portable Media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS/LMTAAA Confidential Information still exists upon it, such media

will be destroyed at that time in accordance with the disposition requirements below in Section 12 *Data Disposition*.

- (2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS/LMTAAA Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 12 *Data Disposition*.

- i. **Cloud storage.** DSHS/LMTAAA Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither LMTAAA nor the Contractor has control of the environment in which the Data is stored. For this reason:

- (1) DSHS/LMTAAA Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:
  - (a) Contractor has written procedures in place governing use of the Cloud storage and Contractor attests in writing that all such procedures will be uniformly followed.
  - (b) The Data will be Encrypted while within the Contractor network.
  - (c) The Data will remain Encrypted during transmission to the Cloud.
  - (d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.
  - (e) The Contractor will possess a decryption key for the Data, and the decryption key will be possessed only by the Contractor and/or DSHS/LMTAAA.
  - (f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on either the DSHS/LMTAAA or Contractor networks.
  - (g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within either the DSHS or Contractor's network.
- (2) Data will not be stored on an Enterprise Cloud storage solution unless either:
  - (a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,
  - (b) The Cloud storage solution used is FedRAMP certified.

- (3) If the Data includes Protected Health Information covered by the Health Insurance Portability and Accountability Act (HIPAA), the Cloud provider must sign a Business Associate Agreement prior to Data being stored in their Cloud solution.

**10. System Protection.** To prevent compromise of systems which contain DSHS/LMTAAA Data or through which that Data passes:

- a. Systems containing DSHS Data must have all security patches or hotfixes applied within three months of being made available.
- b. The Contractor will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.
- c. Systems containing DSHS/LMTAAA Data shall have an Anti-Malware application, if available, installed.
- d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

**11. Data Segregation.**

- a. DSHS/LMTAAA Data must be segregated or otherwise distinguishable from non-DSHS/LMTAAA data. This is to ensure that when no longer needed by the Contractor, all DSHS/LMTAAA Data can be identified for return or destruction. It also aids in determining whether DSHS/LMTAAA Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.
  - (1) DSHS/LMTAAA Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS/LMTAAA Data; and/or
  - (2) DSHS/LMTAAA Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS/LMTAAA Data; and/or
  - (3) DSHS/LMTAAA Data will be stored in a database which will contain no non- DSHS/LMTAAA data; and/or
  - (4) DSHS/LMTAAA Data will be stored within a database and will be distinguishable from non- DSHS/LMTAAA data by the value of a specific field or fields within database records.
  - (5) When stored as physical paper documents, DSHS/LMTAAA Data will be physically segregated from non-DSHS/LMTAAA data in a drawer, folder, or other container.
- b. When it is not feasible or practical to segregate DSHS/LMTAAA Data



from non-DSHS/LMTAAA data, then both the DSHS/LMTAAA Data and the non-DSHS/LMTAAA data with which it is commingled must be protected as described in this Exhibit.

- 12. Data Disposition.** When the contracted work has been completed or when the Data is no longer needed, except as noted above in Section 5.b, Data shall be returned to LMTAAA or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

<b>Data stored on:</b>	<b>Will be destroyed by:</b>
Server or workstation hard disks, or  Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a "wipe" utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or  Physically destroying the disk.
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm, provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

- 13. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS/LMTAAA shared Data must be reported to the LMTAAA Contact Person designated in the Agreement within one (1) business day of discovery. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS/LMTAAA.
- 14. Data shared with Subcontractors.** If DSHS/LMTAAA Data provided under this Agreement is to be shared with a subcontractor, the agreement with the subcontractor must include all of the data security provisions within this Agreement and within any amendments, attachments, or exhibits within this Agreement. If the Contractor cannot protect the Data as articulated within this Agreement, then the agreement with the Subcontractor must be submitted to the LMTAAA Contact Person specified for this Agreement for review and approval.

## GENERAL TERMS AND CONDITIONS

### APPENDIX 2

#### Business Associate Agreement

1. **Definitions.** The words and phrases listed below, as used in this Appendix, shall each have the following definitions:
- a. "Business Associate," as used in this Agreement, means the "Contractor" and generally has the same meaning as the term "business associate" as defined in 45 CFR 160.103. Any reference to Business Associate in this Agreement includes Business Associate's employees, agents, officers, Subcontractors, third party contractors, volunteers, or directors.
  - b. "Business Associate Agreement" means this HIPAA Compliance section of the Agreement) and includes the Business Associate provisions required by the U.S. Department of Health and Human Services, Office for Civil Rights.
  - c. "Breach" means the acquisition, access, use, or disclosure of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the Protected Health Information, with the exclusions and exceptions listed in 45 CFR 164.402.
  - d. "Designated Record Set" means a group of records maintained by or for the Covered Entity that is: the medical and billing records about Individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or used in whole or part by or for the Covered Entity to make decisions about Individuals.
  - e. "Electronic Protected Health Information (EPHI)" means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 CFR 160.103.
  - f. "HIPAA Rules" means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Parts 160 and Part 164.
  - g. "Individual(s)" means the person(s) who is the subject of PHI and includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
  - h. "Minimum Necessary" within the HIPAA section of this Agreement, means the least amount of PHI necessary to accomplish the purpose for which the PHI is needed.
  - i. "PHI" means "Protected Health Information" and is individually identifiable health information created, received, maintained or transmitted by Business Associate on behalf of a health care component of the Covered

Entity that relates to the provision of health care to an Individual; the past, present, or future physical or mental health or condition of an Individual; or the past, present, or future payment for provision of health care to an Individual. 45 CFR 160.103. PHI includes demographic information that identifies the Individual or about which there is reasonable basis to believe can be used to identify the Individual. 45 CFR 160.103. PHI is information transmitted or held in any form or medium and includes EPHI. 45 CFR 160.103. PHI does not include education records covered by the Family Educational Rights and Privacy Act, as amended, 20 USCA 1232g(a)(4)(B)(iv) or employment records held by a Covered Entity in its role as employer.

- j. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system.
- k. "Subcontractor" as used in this HIPAA Compliance section of the Agreement (in addition its definition in Clause 1 of the Agreement) means a Business Associate that creates, receives, maintains, or transmits Protected Health Information on behalf of another Business Associate.
- l. "Use" includes the sharing, employment, application, utilization, examination, or analysis of PHI within an entity that maintains such information.

## 2. **Compliance**

Business Associate shall perform all Contract duties, activities and tasks in compliance with HIPAA, the HIPAA Rules, and all attendant regulations as promulgated by the U.S. Department of Health and Human Services, Office of Civil Rights.

## 3. **Use and Disclosure of PHI**

Business Associate is limited to the following permitted and required uses or disclosures of PHI:

- a. **Duty to Protect PHI.** Business Associate shall protect PHI from, and shall use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to EPHI, to prevent the unauthorized Use or disclosure of PHI other than as provided for in this Contract or as required by law, for as long as the PHI is within its possession and control, even after the termination or expiration of this Contract.
- b. **Minimum Necessary Standard.** Business Associate shall apply the HIPAA Minimum Necessary standard to any Use or disclosure of PHI necessary to achieve the purposes of this Contract. See 45 CFR 164.514 (d)(2) through (d)(5).

- c. **Disclosure as Part of the Provision of Services.** Business Associate shall only Use or disclose PHI as necessary to perform the services specified in this Contract or as required by law, and shall not Use or disclose such PHI in any manner that would violate Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information) if done by Covered Entity, except for the specific uses and disclosures set forth below.
- d. **Use for Proper Management and Administration.** Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- e. **Disclosure for Proper Management and Administration.** Business Associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached.
- f. **Impermissible Use or Disclosure of PHI.** Business Associate shall report to LMTAAA in writing all uses or disclosures of PHI not provided for by this Contract within one (1) business day of becoming aware of the unauthorized Use or disclosure of PHI, including Breaches of unsecured PHI as required at 45 CFR 164.410 (Notification by a Business Associate), as well as any Security Incident of which it becomes aware. Upon request by LMTAAA, Business Associate shall mitigate, to the extent practicable, any harmful effect resulting from the impermissible Use or disclosure.
- g. **Failure to Cure.** If LMTAAA learns of a pattern or practice of the Business Associate that constitutes a violation of the Business Associate's obligations under the terms of this Contract and reasonable steps by LMTAAA do not end the violation, LMTAAA shall terminate this Contract, if feasible. In addition, If Business Associate learns of a pattern or practice of its Subcontractors that constitutes a violation of the Business Associate's obligations under the terms of their contract and reasonable steps by the Business Associate do not end the violation, Business Associate shall terminate the Subcontract, if feasible.
- h. **Termination for Cause.** Business Associate authorizes immediate termination of this Contract by LMTAAA, if LMTAAA determines that Business Associate has violated a material term of this Business Associate Agreement. LMTAAA may, at its sole option, offer Business Associate an opportunity to cure a violation of this Business Associate Agreement before exercising a termination for cause.

- i. **Consent to Audit.** Business Associate shall give reasonable access to PHI, its internal practices, records, books, documents, electronic data and/or all other business information received from, or created or received by Business Associate on behalf of LMTAAA, to LMTAAA for use in determining compliance with HIPAA privacy requirements.
- j. **Obligations of Business Associate upon Expiration or Termination.** Upon expiration or termination of this Contract for any reason, with respect to PHI received from LMTAAA, or created, maintained, or received by Business Associate, or any Subcontractors, on behalf of LMTAAA, Business Associate shall:
  - (1) Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
  - (2) Return to LMTAAA or destroy the remaining PHI that the Business Associate or any Subcontractors still maintain in any form;
  - (3) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to Electronic Protected Health Information to prevent Use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate or any Subcontractors retain the PHI;
  - (4) Not Use or disclose the PHI retained by Business Associate or any Subcontractors other than for the purposes for which such PHI was retained and subject to the same conditions set out in the "Use and Disclosure of PHI" section of this Contract which applied prior to termination; and
  - (5) Return to LMTAAA or destroy the PHI retained by Business Associate, or any Subcontractors, when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
- k. **Survival.** The obligations of the Business Associate under this section shall survive the termination or expiration of this Contract.

#### 4. **Individual Rights**

##### a. **Accounting of Disclosures**

- (1) Business Associate shall document all disclosures, except those disclosures that are exempt under 45 CFR 164.528, of PHI and information related to such disclosures.
- (2) Within ten (10) business days of a request from LMTAAA, Business Associate shall make available to LMTAAA the information in Business Associate's possession that is necessary for LMTAAA to

respond in a timely manner to a request for an accounting of disclosures of PHI by the Business Associate. See 45 CFR 164.504(e)(2)(ii)(G) and 164.528(b)(1).

- (3) At the request of LMTAAA or in response to a request made directly to the Business Associate by an Individual, Business Associate shall respond, in a timely manner and in accordance with HIPAA and the HIPAA Rules, to requests by Individuals for an accounting of disclosures of PHI.
- (4) Business Associate record keeping procedures shall be sufficient to respond to a request for an accounting under this section for the six (6) years prior to the date on which the accounting was requested.

#### **b. Access**

- (1) Business Associate shall make available PHI that it holds that is part of a Designated Record Set when requested by LMTAAA or the Individual as necessary to satisfy LMTAAA's obligations under 45 CFR 164.524 (Access of Individuals to Protected Health Information).
- (2) When the request is made by the Individual to the Business Associate or if LMTAAA asks the Business Associate to respond to a request, the Business Associate shall comply with requirements in 45 CFR 164.524 (Access of Individuals to Protected Health Information) on form, time and manner of access. When the request is made by LMTAAA, the Business Associate shall provide the records to LMTAAA within ten (10) business days.

#### **c. Amendment**

- (1) If LMTAAA amends, in whole or in part, a record or PHI contained in an Individual's Designated Record Set and LMTAAA has previously provided the PHI or record that is the subject of the amendment to Business Associate, then LMTAAA will inform Business Associate of the amendment pursuant to 45 CFR 164.526(c)(3) (Amendment of Protected Health Information).
- (2) Business Associate shall make any amendments to PHI in a Designated Record Set as directed by LMTAAA or as necessary to satisfy LMTAAA's obligations under 45 CFR 164.526 (Amendment of Protected Health Information).

### **5. Subcontracts and Other Third Party Agreements**

In accordance with 45 CFR 164.502(e)(1)(ii), 164.504(e)(1)(i), and 164.308(b)(2), Business Associate shall ensure that any agents, Subcontractors, independent contractors or other third parties that create, receive, maintain, or transmit PHI on Business Associate's behalf, enter into a written contract that contains the same terms, restrictions, requirements, and

conditions as the HIPAA compliance provisions in this Contract with respect to such PHI. The same provisions must also be included in any contracts by a Business Associate's Subcontractor with its own business associates as required by 45 CFR 164.314(a)(2)(b) and 164.504(e)(5).

**6. Obligations**

To the extent the Business Associate is to carry out one or more of LMTAAA's obligation(s) under Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information), Business Associate shall comply with all requirements that would apply to LMTAAA in the performance of such obligation(s).

**7. Liability**

Within ten (10) business days, Business Associate must notify LMTAAA of any complaint, enforcement or compliance action initiated by the Office for Civil Rights based on an allegation of violation of the HIPAA Rules and must inform LMTAAA of the outcome of that action. Business Associate bears all responsibility for any penalties, fines or sanctions imposed against the Business Associate for violations of the HIPAA Rules and for any imposed against its Subcontractors or agents for which it is found liable.

**8. Breach Notification**

- a. In the event of a Breach of unsecured PHI or disclosure that compromises the privacy or security of PHI obtained from LMTAAA or involving LMTAAA clients, Business Associate will take all measures required by state or federal law.
- b. Business Associate will notify LMTAAA within one (1) business day by telephone and in writing of any acquisition, access, Use or disclosure of PHI not allowed by the provisions of this Contract or not authorized by HIPAA Rules or required by law of which it becomes aware which potentially compromises the security or privacy of the Protected Health Information as defined in 45 CFR 164.402 (Definitions).
- c. Business Associate will notify the LMTAAA Contact shown on the cover page of this Contract within one (1) business day by telephone or e-mail of any potential Breach of security or privacy of PHI by the Business Associate or its Subcontractors or agents. Business Associate will follow telephone or e-mail notification with a faxed or other written explanation of the Breach, to include the following: date and time of the Breach, date Breach was discovered, location and nature of the PHI, type of Breach, origination and destination of PHI, Business Associate unit and personnel associated with the Breach, detailed description of the Breach, anticipated mitigation steps, and the name, address, telephone number, fax number, and e-mail of the individual who is responsible as the primary point of contact. Business Associate will address communications to the LMTAAA Contact. Business Associate will coordinate and cooperate with LMTAAA to provide a copy of its investigation and other information requested by

LMTAAA, including advance copies of any notifications required for LMTAAA review before disseminating and verification of the dates notifications were sent.

- d. If LMTAAA determines that Business Associate or its Subcontractor(s) or agent(s) is responsible for a Breach of unsecured PHI:
  - (1) requiring notification of Individuals under 45 CFR § 164.404 (Notification to Individuals), Business Associate bears the responsibility and costs for notifying the affected Individuals and receiving and responding to those Individuals' questions or requests for additional information;
  - (2) requiring notification of the media under 45 CFR § 164.406 (Notification to the media), Business Associate bears the responsibility and costs for notifying the media and receiving and responding to media questions or requests for additional information;
  - (3) requiring notification of the U.S. Department of Health and Human Services Secretary under 45 CFR § 164.408 (Notification to the Secretary), Business Associate bears the responsibility and costs for notifying the Secretary and receiving and responding to the Secretary's questions or requests for additional information; and
  - (4) LMTAAA will take appropriate remedial measures up to termination of this Contract.

## **9. Miscellaneous Provisions**

- a. Regulatory References. A reference in this Contract to a section in the HIPAA Rules means the section as in effect or amended.
- b. Interpretation. Any ambiguity in this Contract shall be interpreted to permit compliance with the HIPAA Rules.

## **10. Certification Regarding Russian Government Contracts and/or Investments.**

Contractor shall abide by the requirements of Governor Jay Inslee's Directive 22-03 and all subsequent amendments. The Contractor, by signature to this Contract, certifies that the Contractor is not presently an agency of the Russian government, an entity which is Russian-state owned to any extent, or an entity sanctioned by the United States government in response to Russia's invasion of Ukraine. The Contractor also agrees to include the above certification in any and all Subcontracts into which it enters. The Contractor shall immediately notify LMTAAA if, during the term of this Contract, Contractor does not comply with this certification. LMTAAA may immediately terminate this Contract by providing Contractor written notice if Contractor does not comply with this certification during the term hereof.



Agreement #: 25-1100-0090-143  
Contractor: City of Olympia  
Service: Care Transitions  
Effective Date: May 1, 2025

## **STATEMENT OF WORK – EXHIBIT B**

LEWIS-MASON-THURSTON AREA AGENCY ON AGING

AND

CITY OF OLYMPIA

(hereinafter referred to as the “Contractor”)

THE PURPOSE OF THIS DOCUMENT is to establish a Statement of Work for this Agreement between LMTAAA and the Contractor.

### **1. Service Description**

Care Transitions services are provided to older adults aged 60 or over to support acute care hospital discharge, to assess transitional needs, and to arrange, coordinate, and monitor an optimum package of services to address those needs. Care Transitions services often include a comprehensive assessment, development and implementation of goals, coordination of care and services, and monitoring of formal and informal service delivery.

### **2. Eligibility**

Eligibility shall be determined by Contractor using the following standards. Eligible clients must be:

- a. Older Adult (age 60 or older);
- b. Resident of Olympia or Tumwater Washington; and
- c. Transitioning from an acute care hospital to home.

### **3. Contractor Service Obligations**

Contractor shall fulfill the following service obligations:

- a. Trained personnel will perform Care Transitions services.

- b. Care Transitions services may include but are not limited to comprehensive assessment, medication reconciliation, fall risk evaluation, home safety evaluation, and referrals to local resources and programs.
- c. Contractor will collaborate with local hospitals to obtain referrals for Care Transitions services and ensure client needs are met.
- d. Contractor will conduct outreach as needed to seek out and identify, on an ongoing basis, individuals who will or may benefit from Care Transitions services.
- e. Contractor will hold events to educate and increase awareness about Care Transitions services.
- f. Contractor will purchase all equipment, supplies, and tools needed for the services provided in the contract.
- g. Contractor will provide services at no cost to clients.
- h. Subject to client consent, all clients who appear to meet the vulnerability criteria listed in this contract shall be referred to the local Aging & Disability Resource Connection (ADRC) at LMTAAA for screening to determine the need for Case Management Services.

*LMTAAA Thurston County ADRC*

*Laura Dreckman*  
[laura.dreckman@dshs.wa.gov](mailto:laura.dreckman@dshs.wa.gov)  
360-664-3162 ext. 133

*Stephanie Mace*  
[stephanie.mace@dshs.wa.gov](mailto:stephanie.mace@dshs.wa.gov)  
360-664-3162 ext. 159

**4. Reporting Requirements**

Contractor shall provide a copy of all assessment tools used for the program and shall record all Care Transitions interventions in the client's Community Health Record.

Contractor shall provide to LMTAAA the following client demographic information and service data monthly, via the CCFR CARES End of Month Report provided as Exhibit G to this Contract.

- a. Client Demographic Information (information marked with \* is required):
  - (1) Last Name\*
  - (2) Middle Initial
  - (3) First Name\*

- (4) Complete Address\*
- (5) Phone Number\*
- (6) Gender (as identified by client)
- (7) Date of Birth\*
- (8) Ethnicity (as identified by client)
- (9) Race/Minority Status (as identified by client)
- (10) Composition
- (11) Client at or below poverty level (yes/no)
- (12) Client enrolled in Medicaid (yes/no)

b. Service Data:

- (1) Number of unduplicated clients served
- (2) Number of transitional care interventions completed
- (3) Number of hospital readmissions 30 days or less during the intervention, with admission and discharge dates when known
- (4) Names of hospitals that referred the clients
- (5) Discussion of Medicaid programs (yes/no)
- (6) Number of outreach events & number of clients reached

Agreement #: 25-1100-0090-143  
Contractor: City of Olympia  
Service: Care Transitions  
Effective Date: May 1, 2025

**SPECIAL TERMS AND CONDITIONS – EXHIBIT C**  
**LEWIS-MASON-THURSTON AREA AGENCY ON AGING**  
**AND**  
**CITY OF OLYMPIA**  
(hereinafter referred to as the “Contractor”)

THE PURPOSE OF THIS DOCUMENT is to establish Special Terms and Conditions for this Agreement between LMTAAA and the Contractor.

1. **Purpose.** The purpose of this Agreement is to provide delivery of Care Transitions services. Care Transitions services help adults transition from an acute care setting safely back to the community through intensive care coordination that begins at the hospital and continues after discharge. Contractor shall provide the services and staff, and otherwise do all things necessary for, or incidental to, the performance of work as set forth in this Contract.
2. **Period of Performance.** Subject to its other provisions, the period of performance of this Agreement shall **commence on May 1, 2025 and be completed on June 30, 2025**, unless terminated sooner according to provisions enumerated in the General Terms and Conditions. At the sole discretion of LMTAAA, and subject to satisfactory performance and the negotiation of mutually agreeable annual budgets, this Agreement may be renewed for up to one (1) additional one-year term.
3. **Service Area.** The geographic service area in which the Contractor shall provide Care Transitions services is City of Olympia, Washington or Tumwater, Washington.
4. **Minimum Service Levels.** Contractor shall provide the following service levels, at a minimum:

<i>Service Period</i>	<i>Unduplicated Persons Served</i>
5/1/2025 – 6/30/2025	10

5. **Staffing Plan and Staff Qualifications.** Contractor shall employ an adequate number of qualified personnel to assure satisfactory delivery of services to Clients.

Contractor shall have written descriptions of roles and responsibilities to ensure that all necessary functions are performed. Any services requiring licensure or certification will be provided by staff with the appropriate licensing or certifications that are current and in good standing throughout the Period of Performance.

6. **Consideration and Reimbursement.**

A. Maximum Consideration

The maximum consideration for work performed under this Agreement shall not exceed **Seventeen Thousand Seven Hundred Sixty-Three Dollars (\$17,763)** from the Washington State Care Transitions Fund.

This award is subject to the availability of federal, state and local funds. As such, the maximum consideration of this Agreement is subject to unilateral reduction by the LMTAAA Council of Governments (COG), should the anticipated level of federal, state or local funding not be made available.

The Contractor shall monitor the contract balance of this Agreement and adjust service delivery as necessary to ensure that services are delivered throughout the entire period of performance. The Contractor may not bill for services delivered over the maximum consideration of this Agreement, or outside of the period of performance.

B. Basis for Reimbursement

This is a Cost Reimbursement Contract with an annual limit. The Contractor shall be reimbursed for actual expenses up to the line-item amounts in the Budget (Exhibit D).

C. Reimbursement Procedure

- (1) Invoices shall be submitted by the Contractor on a format approved by LMTAAA no later than the tenth (10<sup>th</sup>) calendar day of the month for services provided the previous month.
- (2) LMTAAA cannot guarantee payment of invoices received beyond the end of the current contract period of performance. Final invoices are due no

later than the tenth (10<sup>th</sup>) calendar day after the final month of services provided.

- (3) LMTAAA will make payment within thirty (30) days of complete and accurate billing, including required reports or other documentation.
- (4) No payment in advance or in anticipation of services or supplies to be provided under the Agreement shall be made by LMTAAA.
- (5) LMTAAA may withhold reimbursement from the Contractor if the terms of this Agreement are not met. Reimbursement may be withheld for a time equal to the period of non-compliance.
- (6) LMTAAA may reduce the Contractor's reimbursement by One Hundred Dollars (\$100.00) for each failure to include the required listing of LMTAAA and funding source information on Contractor controlled public materials and messages.

7. **Budget.** The Contractor must provide a description of how the budgeted and actual costs of the service provided under this Agreement were calculated. This may be in the form of a formal written Cost Allocation Plan, or it might be a simple worksheet that includes formulas that were used to allocate a percentage of shared costs to the activities of this Agreement. Allocations must be based on measurable and verifiable indicators such as units provided, FTEs disbursed, or square footage among others. This description must be submitted annually with the new budget and whenever allocation changes are made during the contract year.

8. **Reports.**

- A. Monthly service unit reporting must be submitted by the tenth (10<sup>th</sup>) day of each month following service provision. Contract payment requests will not be processed until service unit reporting is complete.
- B. LMTAAA may request financial statements two times per year, or more frequently as needed, for the purpose of reconciliation of revenue and expenditures related to this Agreement.

9. **Provisions of Service Delivery.**

- A. The Contractor shall provide advanced written notification to LMTAAA of all proposed changes in the administration of the program and/or staffing plan. Program and staffing plan changes must be reviewed and approved by LMTAAA prior to implementation.
- B. The Contractor shall provide written notification to LMTAAA when prioritization plans need to be implemented. Prioritization plans must be reviewed and approved by LMTAAA prior to implementation.
- C. The Contractor shall notify LMTAAA of any significant management problems or situations that may impact the provision of service.
- D. The Contractor shall provide substantially equal levels of service in all months within the period of performance of this Agreement.

<b>Service</b>	<b>Care Transitions</b>
<b>Funding Source(s)</b>	
WA Care Transitions Fund	\$17,763
<b>Total AAA Award</b>	<b>\$17,763</b>
<b>Total Budget</b>	<b>\$17,763</b>

Budget

Exhibit D

Agreement #: 25-1100-0090-143

Contractor: City of Olympia

Service: Care Transitions

Effective Date: 5/1/2025

A	B	C	D	E	F	G
Description	Total All F+G	LMTAAA	Project Income	Other Cash	Subtotal C+D+E	In-Kind
<b>TOTALS</b>	<b>\$17,763</b>	<b>\$17,763</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,763</b>	<b>\$0</b>
<b>Salaries - see staffing plan</b>						
Care Transitions Salary	\$0	\$0			\$0	
CARES Manager Salary	\$9,632	\$9,632			\$9,632	
<b>Benefits</b>	<b>\$3,631</b>	<b>\$3,631</b>			<b>\$3,631</b>	
FICA	\$724	\$724			\$724	
Unemployment	\$19	\$19			\$19	
L&I	\$41	\$41			\$41	
LT Disability	\$39	\$39			\$39	
Life Insurance	\$5	\$5			\$5	
PFL	\$25	\$25			\$25	
WA Ind Ins	\$50	\$50			\$50	
Retirement- PRS	\$877	\$877			\$877	
Medical	\$1,654	\$1,654			\$1,654	
Dental	\$174	\$174			\$174	
Vision	\$23	\$23			\$23	
<b>Equipment Expense</b>	<b>\$4,500</b>	<b>\$4,500</b>			<b>\$4,500</b>	



**Staffing Plan  
Exhibit E**

Agreement #: 25-1100-0090-143  
Contractor: City of Olympia  
Service: Care Transitions  
Effective Date: 5/1/2025

			Funding Source:			LMTAAA Contract	Other Funding Source	Other Funding Source	Other Funding Source	TOTAL
Hrs/Wk	hr/yr	Hourly Rate	Position	FTE			City of Olympia			
40	2080	37.43	Care Transitions	1.00	S	\$ -	\$ -	\$ -	\$ -	\$ -
					%	0%	0%	0%		0%
					FTE	0.00	0.00	0.00	0.00	0.00
40	2080	55.57	CARES Manager	1.00	S	\$ 57,793	\$ 57,793	\$ -	\$ -	\$ 115,586
					%	50%	50%			100%
					FTE	0.50	0.50	0.00	0.00	1.00
	0				S	\$ -		\$ -	\$ -	\$ -
					%					0%
					FTE	0.00	0.00	0.00	0.00	0.00
	0				S	\$ -	\$ -	\$ -	\$ -	\$ -
					%					0%
					FTE	0.00	0.00	0.00	0.00	0.00
	0				S	\$ -	\$ -	\$ -	\$ -	\$ -
					%					0%
					FTE	0.00	0.00	0.00	0.00	0.00
	0				S	\$ -	\$ -	\$ -	\$ -	\$ -
					%					0%
					FTE	0.00	0.00	0.00	0.00	0.00
TOTAL FTE						0.50	0.50	0.00	0.00	1.00
Subtotal SALARIES						\$ 57,793	\$ 57,793	\$ -	\$ -	\$ 115,586

S = Salary  
% = Percentage of the total hours  
FTE = Full Time Equivalent

## New Client Demographics

Click and select, or type answer

**EXHIBIT G**

Mar-25

[illegible]

## Month-Year: Mar-25

Month-Year: Mar-25

[illegible]

## Inactive Clients

Mar-25

[illegible]

**LMTAAA End-of-Month Reporting**  
**Care Transitions | Olympia Fire Department CARES**

Month-Year: **Mar-25**

**Medicaid Eligibility**

Number of Clients Medicaid Eligible	<b>0</b>	*
Number of Clients Not Medicaid Eligible	<b>0</b>	*

**Units - Unduplicated Clients Served**

Number of Unduplicated Clients Served	<b>0</b>	*
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**Outreach Events**

Number of Outreach Events Completed	
Number of Clients Reached	

*\*Self-calculating fields:*

*Please check for accuracy before submitting report.*