

**Exhibit E**  
**Additional Provisions**

**1. Additional Incorporated Exhibits**

A. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. Contractors are required to fully comply with the directives in each document incorporated by reference herein and each update thereto. These documents may be updated periodically by DHCS, as required by program directives or changes in law or policy. Unless otherwise indicated, DHCS shall provide the Contractor with copies of said documents at or before the agreement is presented to the Contractor for review, acceptance, and signature and will require acknowledgement of receipt. Periodic updates to the below listed documents will be presented to the Contractor under separate cover and acknowledgement of receipt will be required. DHCS will maintain on file, all documents referenced herein and any subsequent updates.

- 1) Policy & Procedure Letters (PPL)\*
- 2) DHCS CMAA/TCM Time Survey Methodology and DHCS CMAA Program Operational Plan (CMAA/ TCM Implementation Plan) \*
- 3) CMAA Invoice Documents\*
- 4) CMAA Training Materials\*

\*View at [www.dhcs.ca.gov/provgovpart/Pages/CMAA.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/CMAA.aspx)

**2. Amendment Process**

Should either party, during the term of this agreement, desire a change or amendment to the terms of this agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

**3. Cancellation/Termination**

- A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.
- B. Upon receipt of a notice of termination or cancellation from DHCS, Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.

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- C. The Contractor shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.

**4. Contractor Responsibilities**

- A. The Contractor shall comply with 42 U.S.C., Section 1396 et seq., 42 CFR Part 400 et seq., and 45 CFR Part 95, California Welfare and Institutions Code, Division 9, Part 3, Chapter 7 (commencing with Section 14000) and Chapter 8 (commencing with Section 14200), and Title 22 California Code of Regulations CCR), Division (3 (commencing with Section 50000), all as periodically amended; State issued policy directives; 2 CFR Part 200 et. Seq., as periodically amended.
- B. If the Contractor enters into contracts with other organizations to perform CMAA in support of the Contractor claiming administrative reimbursement, the Contractor shall have any contract to perform administrative activities under the auspices of the Medi-Cal Program available for State and/or Federal review.
- C. The Contractor is responsible for the acts or omissions of its employees and/or subcontractors. Submission of a falsified CMAA Invoice by a Contractor shall constitute a breach of contract. Submission of a CMAA invoice for which there is no supporting documentation by a Contractor may constitute a breach of contract.
- D. The conviction of an employee or subcontractor of the Contractor, or of an employee of a subcontractor, of any felony or of a misdemeanor involving fraud, abuse of any Medi-Cal applicant or beneficiary, or abuse of the Medi-Cal Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the Medi-Cal Administrative Claiming process. Failure of a Contractor to exclude a convicted individual from participation in the Medi-Cal Administrative Claiming process shall constitute a breach of contract.
- E. Exclusion after conviction shall result regardless of any subsequent order under Section 1203.4 of the Penal Code allowing a person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment.
- F. Suspension or exclusion of an employee or subcontractor, or of an employee of a subcontractor, from participation in the Medi-Cal Program, the Medicaid Program, or the Medicare Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the Medi-Cal Administrative Claiming process. Failure of a Contractor to exclude a

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suspended or excluded individual from participation in the Medi-Cal Administrative Claiming process shall constitute a breach of contract.

- G. Revocation, suspension, or restriction of the license, certificate, or registration of any employee, subcontractor, or employee of a subcontractor, shall result in exclusion from the Medi-Cal Administrative Claiming process, when such license, certificate, or registration is required for the performance of Medi-Cal administrative activities. Failure of a Contractor to exclude an individual whose license, certificate, or registration has been revoked, suspended, or restricted, from participation in the Medi-Cal Administrative Claiming process, may constitute a breach of contract.
- H. LGA budget units that elect to participate in the CMAA and/or TCM programs are required to conduct time surveys to account for staff time spent performing Medi-Cal and non-Medi-Cal eligible services and activities. The time survey results are used in the determination of allowable Medi-Cal costs. The activities of staff providing Medi-Cal administration must be documented in accordance with the provisions of 42 CFR Sections 432.50, 433.32, and 433.34, and 45 CFR Parts 74 and 95, and 2 CFR Part 200 et. Seq.
- I. All non-Medi-Cal related activities and direct patient care services shall be time surveyed to "Other Programs/Activities" or "Direct Patient Care" on the Time Survey form, as appropriate.
- J. The Contractor shall comply with enabling legislation, regulations, administrative claiming process directives, and the PPLs of DHCS Safety Net Financing Division incorporated by reference in Exhibit E, Provision 1, which define program specific allowable CMAA.
- K. The Contractor shall provide to the State, comprehensive Medi-Cal Administrative Claiming Plan, in the format specified by the State. The claiming plan must be approved by the State and this agreement must be signed by both parties prior to the submission of CMAA invoices.
- L. The Contractor shall not discriminate against any eligible person because of race, religion, political beliefs, color, national or ethnic origin, ancestry, mental or physical disability, medical condition, marital status, age, or sex.
- M. The Contractor shall ensure all applicable State and federal requirements, as identified in Exhibit E, Provision 4, are met in performing CMAA under this agreement. It is understood and agreed that failure by the Contractor to ensure all applicable State and Federal requirements not met in performing CMAA under this agreement shall be sufficient cause for the State to deny or recoup payments to the Contractor and/or to terminate this agreement.

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- N. Abide by the Business Associate Agreement (BAA) (Exhibit G), as incorporated herein and made part of this Agreement by reference. Data released to LGAs is to be used solely for the purpose of verifying Medi-Cal eligibility of the beneficiaries. The data elements used are listed in attachment A".
- O. The Contractor shall submit a letter of intent to participate in the CMAA Program six (6) months prior to the termination of this agreement for the purpose of extending the term of the agreement or initiating a new agreement, whichever is preferred by DHCS.
- P. When an amendment of the contract is necessary because the original projected expenditures shortfall the actual expenditures, a request must be submitted to DHCS at least 6 months prior to the end of the FY for which additional funding is necessary. If this request is not received timely, the contract will not be amended to address the insufficient funding and subsequent affected invoices will not be paid.

**5. State Responsibilities**

- A. Review, approve, as appropriate, and process Contractor claims for reimbursement of the allowable actual costs of providing administrative activities necessary for the proper and efficient administration of the Medi-Cal Program. Reimbursement shall be made subsequent to the quarter for which a claim for CMAA is made. Any claim that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- B. Provide the Contractor with a standardized format for the CMAA Invoice and CMAA Claiming Plan which will be disseminated through policy directives issued by the State.
- C. Review CMAA Claiming Plan and amendment(s) to the CMAA Claiming Plan. Any amendment that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval. Any amendment to the CMAA Claiming Plan shall not require a formal amendment to the agreement but may instead be effected via written approval of the amended CMAA Claiming Plan signed by DHCS.
- D. Provide program monitoring and oversight including conducting site reviews at least once every four years for compliance with state and federal requirements and regulations. DHCS will retain ultimate responsibility for program oversight and policy interpretation.

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- E. Submit approved CMAA Claiming Plans and amendments to the CMS for review and approval if required.
- F. Make available to Contractors, training and technical support on proper administrative activities to be claimed, identifying costs related to these activities, and billing procedures. Training material is to be developed by and/or approved by DHCS.

**6. Joint Responsibilities**

The State and the Contractor hereby agree to comply with all applicable laws governing the confidentiality of client information for Medi-Cal clients served by the Contractor, or subcontractor, under this agreement. Applicable laws include, but are not limited to, 42 U.S.C. Section 1396a(a)7, 42 CFR Section 431.300, 45 CFR Sections 160, 162, and 164, Welfare and Institutions Code, Section 14100.2, and 22 California Code of Regulations, Section 51009.

**7. Definitions**

A. The following definitions are applicable to this Contract.

- 1) "CFDA number" means the number assigned to a federal program in the Catalog of Federal Domestic Assistance (CFDA).
- 2) "Federal award" means federal financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts used to buy goods or services from vendors.
- 3) "Federal awarding agency" means the federal agency that provides an award directly to the recipient.
- 4) "Federal program" means all federal awards to a non-federal entity assigned a single number in the CDFA.
- 5) "Pass-through entity" means a non-federal entity that provides a federal award to a subrecipient to carry out a federal program.
- 6) "Recipient" means a non-federal entity that expends federal awards received directly from a federal awarding agency to carry out a federal program.
- 7) "Subrecipient" means a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does

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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. Guidance on distinguishing between a subrecipient and a vendor is provided in OMB Circular A-133

- 8) "Vendor" means a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of a federal program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. Additional guidance on distinguishing between a subrecipient and a vendor is provided on OMB Circular A-133.

B. The definitions in Provision 8, Item A, shall be included in all of Contractor's contracts with subrecipients and vendors.

C. Additional definitions applicable to this Contract:

- 1) "Direct charge" means to report CMAA costs for staff that perform Medi-Cal eligible activities either 100 percent of the time or in distinct and documented blocks of time.
- 2) "Medi-Cal percentage" means for some CMAA, LGAs claim allowable costs based on how many members of a group of people are Medi-Cal beneficiaries; this number is the Medi-Cal percentage. Costs are discounted (i.e. reduced) by the Medi-Cal percentage when the activity is directed toward a group of people that is only partly composed of Medi-Cal eligible persons. The Medi-Cal percentage is the fraction of a total population (target population) that consists of Medi-Cal beneficiaries. The numerator is the number of clients served by the claiming unit that are Medi-Cal beneficiaries, and the denominator is the total number of clients served by the claiming unit. Discount methods approved by DHCS and CMS for calculating the Medi-Cal percentage discount may be utilized.