

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: Monday, June 4, 2012

SUBJECT: Amendment 1 to the FY13 Consolidated Agreement between the State of North Carolina, Division of Public Health and the Henderson County Department of Public Health

PRESENTER: Tom Bridges. Public Health Director

ATTACHMENTS: Yes

1. Amendment 1
2. FY13 Consolidated Agreement

SUMMARY OF REQUEST:

The FY 13 Consolidated Agreement between the State of North Carolina, Division of Public Health and the Henderson County Department of Public Health that was approved at the Henderson County Board of County Commissioners May 5, 2012 meeting has been amended with Amendment 1, which is a minor change merely allowing public health disciplines in addition to nursing to receive training in Management and Supervision for Public Health. Amendment 1 does not affect funding or any critical policies or procedures for this local agency.

BOARD ACTION REQUESTED:

The Henderson County Board of County Commissioners is requested to approve Amendment 1, signed by the chair of the Henderson County Board of County Commissioners and incorporated into the FY 13 Consolidated Agreement.

Suggested Motion:

I make the motion that Amendment 1 be approved and be incorporated into the FY13 Consolidated Agreement between the North Carolina Division of Public Health and the Henderson County Department of Public Health.

Amendment 1

This Agreement amends the Consolidated Agreement in force for the period July 1, 2012 to June 30, 2013, that is between the State of North Carolina (hereinafter referred to as the "State") and **Henderson County Department of Public Health** (hereinafter referred to as the "Department"). This Amendment is hereby effective on July 1, 2012.

As provided for under the terms of this agreement, the State and the Department agree to amend the following agreement provisions:

1. Section B. Funding Stipulations, Paragraph 12.b. of the Consolidated Agreement currently reads as:
Nursing service personnel participating in the "Management and Supervision for Public Health Nurse Supervisors and Directors" course. Reimbursement is \$600.00 per participant upon successful completion of the course.

Revised to read as:

Any New Health Department Managers (all disciplines) participating in the "Management and Supervision for Public Health Supervisors" course. Reimbursement is \$600.00 per participant upon successful completion of the course.

2. Section B. Funding Stipulations, Paragraph 12.c. of the Consolidated Agreement currently reads as:
Health Department Management level staff (all disciplines) attending certain Management training endorsed by the State Health Director's Office when the local staff member is a part of a team accepted into these trainings/institutes.

Section B. Funding Stipulations, Paragraph 12.c is **deleted entirely**.

3. The first sentence in Section C. Fiscal Control, Paragraph 3.h of the Consolidated Agreement currently reads as:

The amount of Title XIX fees budgeted and expended in FY 2012-2013 must equal or exceed the amount of Title XIX revenues earned during FY 2010-2011.

Revised to read as:

The amount of Title XIX fees budgeted and expended in FY 2012-2013 must equal or exceed the amount of Title XIX revenues earned during **FY 2011-2012**.

All other terms and conditions as set forth in the original Consolidated Agreement shall remain in effect for the duration of this Agreement.

In witness whereof, the Department and the State of North Carolina have executed this Amendment in duplicate originals, one of which is to be retained by each of the parties.

DEPARTMENT

STATE OF NORTH CAROLINA

Health Director Date

Laura Gerald, MD, MPH Date
State Health Director or Authorized Agent

Finance Officer Date

Chair of County Commissioners Date
(when required)

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: May 5, 2012

SUBJECT: Consolidated Contract Agreement with the NC Department of Health and Human Services as part of Henderson County Board of County Commissioners Consent Agenda

ATTACHMENTS: Consolidated Contract Agreement

SUMMARY OF REQUEST: Each year, as part of the normal budgetary process, in order to keep the funding cycles without disruption of federal and state funds, the Consolidated Agreement with the NC Department of Health and Human Services is signed ahead of the final county budget. It is understood by the State Division of Public Health and the Henderson County Department of Public Health that the Local budgets are still being negotiated and will be finalized at a later date. It is also understood that program service levels and funding support can be renegotiated as necessary. This agreement contains items that include:

- Business Associate Agreement re: HIPAA compliance
- Assurance of Compliance with Title VI, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments, and the Age Discrimination Act
- Four Certification Forms re: Lobbying, Drug-Free Work Place and Environmental Tobacco Smoke, and Certification Regarding Debarment, Suspension, Ineligible and Voluntary Exclusion – Lower Tier Covered Transactions
- Agreement Addenda
- Maintenance of Effort (MOE) Report for WCH Programs
- Public health Nurse Training Funds Reimbursement Request

BOARD ACTION REQUESTED: That this Consolidated Contract Agreement be approved as a consent agenda item and signed as appropriate.

Suggested Motion: “I make the motion that the Consolidated Contract Agreement for Fiscal Year 2013 between the NC Department of Health and Human Services and the Henderson County Department of Public Health be approved with the understanding that program service levels and funding support can be renegotiated when necessary.”

CONSOLIDATED AGREEMENT

BETWEEN

THE STATE OF NORTH CAROLINA

AS REPRESENTED BY

THE STATE HEALTH DIRECTOR
(Hereinafter called the "State")

AND

HENDERSON COUNTY DEPARTMENT OF PUBLIC HEALTH

(Local Health Department/District/Public Health Authority/Human Services Agency (Wake and Mecklenburg) -- Hereinafter called the "Department")

FOR THE PURPOSE OF

**MAINTAINING AND PROMOTING THE ADVANCEMENT OF
PUBLIC HEALTH IN NORTH CAROLINA**

This Amended Agreement Shall Cover a Period From

July 1, 2012 to June 30, 2013

**and shall remain in force until the next Fiscal Year Agreement
is signed except as provided for in Section J. Termination.**

NOW, THEREFORE, the **State** and the **Department** agree that the provisions and clauses herein set forth shall be incorporated in and constitute the terms and conditions applicable for activities involving State funding. (State funding or funds means state, federal, and/or special funding or funds throughout this agreement.)

A. RESPONSIBILITIES OF THE DEPARTMENT (LOCAL PUBLIC HEALTH UNIT)

1. The Department shall perform activities in compliance with applicable program rules contained in the North Carolina Administrative Code, as well as all applicable Federal and State laws and regulations.
2. The Department shall perform the activities specified in the Program Agreement Addenda for State funded budgets. The Department must negotiate these Agreement Addenda in good faith to the satisfaction of state representatives as part of the agreement execution. The Department will meet or exceed the Agreement Addenda levels unless extenuating circumstances prevail and are explained in writing to the state section, branch or program.
3. The Department shall report client, service, encounter, and other data as specified by applicable program rules, Program Agreement Addenda for State funded budgets, and by North Carolina Administrative Code.
4. The Department shall provide access to patient records to authorized staff from the Division of Public Health for technical consultation, program monitoring, and program evaluation, as specified by applicable program rules, Program Agreement Addenda for State funded budgets, and by North Carolina Administrative Code.
5. The Department shall provide client, service, encounter, and other data through the states' centralized automated systems for claims creation and submission for processing to the state's Medicaid agency *except as allowed by NCGS 130A – 45.13 and SB245 passed in the 2011 session*. To ensure that such data is accurately linked to the specific client served in a manner that results in a unique identifier from the DHHS Common Name Data Service *except as allowed by SB245 passed in the 2011 session*, the Department shall allow DPH to submit (on its behalf) the Social Security Numbers of all clients to the Social Security Administration for verification.
6. The Department shall share data to support efforts of the public health system, represented by the local health departments, local health programs, and the State, in order to meet public health objectives while respecting the confidentiality and integrity of each agency's data and protecting the privacy of individual client health information. Sharing data includes providing client information allowed as permitted disclosures under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-91, HIPAA Administration Simplification Provisions Sections 261 through 264, 45 CFR 164.512. Uses and disclosures for which consent, authorization, or opportunity to agree or object is not required.
7. The Department shall administer and enforce all rules that have been adopted by the Commission for Public Health, ratified by the NC General Assembly, or adopted by the Local Board of Health.
8. The Department shall provide to the State a copy of any rules adopted by the Local Board of Health pursuant to G.S. 130A-39 and Public Health Ordinances adopted by the County Commissioners, within 30 days of adoption. These rules/ordinances are to be sent to the Local Technical Assistance and Training Branch (LTAT).
9. The Department shall have policies related to conflict of interest and policies and procedures for Human Subjects Clearance. Each staff member shall receive a copy of these documents.

10. The Department shall provide to the State a comprehensive community health assessment (CHA) at least every four years and a State of the County's Health Report each of the interim three years. NC Division of Public Health will administer this four-year cycle. The CHA should be a collaborative effort with local partners such as hospitals and community partnerships or the local Healthy Carolinians Partnership (if such exists), and shall include collection of primary data at the county level and secondary data from the state and other sources. The CHA shall include a list of community health problems based on the findings and a narrative of the assessment findings and priorities chosen (refer to accreditation activities regarding CHA or SOTCH). The CHA or SOTCH is due by the first Monday of December. The agency is required to submit community action plans to address the selected priority issues. These plans are due by the first Friday in June following the December submission of the CHA. For action plans, the agency shall include a minimum of two Healthy North Carolina 2020 objectives from different focus areas. There are a total of 13 focus areas and 40 objectives within Healthy NC 2020. Action Plans need to be turned in by local health departments for their CHA. *NOTE that an action plan is expected for every CHA priority selected.* The CHA will include data analysis of those indicators that are listed in the accreditation self-assessment.
11. The Department shall provide formal training for their Board of Health (BOH) members through DHHS sponsored offerings. The LTAT Branch shall notify the Department no later than April 30 of the name of the contractor who is to provide this training during the upcoming fiscal year. First priority should be given to training newly appointed members with the ultimate goal of having all BOH members trained as time and resources allow. Continuing education updates on topics of special interest are strongly encouraged after general board member orientation has been provided for all BOH Members.
12. The Department shall provide Network/Internet access at the Local Health Department (or to the county network where desired) at a minimum speed of a full T-1 line in order to:
 - Connect with the North Carolina Health Alert Network (HAN), North Carolina Electronic Disease Surveillance System (NCEDSS), North Carolina Immunization Registry (NCIR), Health Information System (HIS)
 - Rapidly communicate e-mail alerts to and from the NC State Division of Public Health regarding bioterrorism and public health topics (outbreaks, emergency alerts, etc)
 - Access NCDPH training material and information used in self-study courses and PHTIN programs
 - Build steps of a secure infrastructure for remote data entry in the local health departments
 - Report electronically all required Environmental Health Services Section inspection data in the format and frequency specified by the division. Paper copies of inspection data are no longer accepted,

The LHD will maintain the above-described minimum connection. The LHD may choose any provider (ISP) that they wish. The LHD will also ensure security of a minimum of a T-1 connection at the LHD location. The LHD may utilize security products (i.e. firewalls) of their choosing to maintain network connectivity and security integrity. The LHD network configuration and security practices must allow communication with systems within the state network.

13. The Department shall incorporate basic elements of the North Carolina Public Health logo and themeline (slogan) into communication materials developed for programs and services that depend, in whole or in part, upon state funding. Such communication materials could include: letterhead, business cards, brochures, pamphlets, advertisements or announcements, signs and marketing/promotional materials. The Department is encouraged to incorporate its own name with the logo.

B. FUNDING STIPULATIONS

1. Funding for this agreement is subject to the availability of State, Federal, and Special Funds for the purpose set forth in this agreement.
2. During the period of this agreement, the Department shall not use State, Federal or Special Project funds received under this agreement to reduce locally appropriated funds as reflected in the Local Appropriations Budget (see item C.2. below.)
3. The Department shall not use personal health program funds to support environmental health programs nor use environmental health program funds to support personal health programs.
4. Fees generated by the Food and Lodging Fees Collection Program may only be used to support State and Local food, lodging, and institution sanitation programs and activities.
5. The county shall submit monthly reports of On-Site Wastewater activities to the On-Site Wastewater Branch in the Environmental Health Section of the Division of Public Health in the format provided by the Section.
6. The Department shall comply with Standards for Mandated Public Health Services, 10A NCAC 46, Section .0200; and Administrative Procedures Manual for Federal Block Grant Funds, 1 NCAC 33, Sections .0100 - .1502.
7. The Department shall maintain signed employee time records to document the actual work activity of each employee on a daily basis. The percentage of time each employee spends in each activity shall be converted to dollars based upon the employee's salary and benefits at least on a monthly basis. The computation shall support the charges for salaries and benefits to all federal and state grants (as required in OMB Circular A87) as well as provide the documentation of detailed labor cost per activity for preparation of Medicaid Cost Report.
8. For Departments participating in Medicaid Reimbursement, the Department shall:
 - a. Execute a Provider Participation Agreement with the Division of Medical Assistance. *For selected health departments* receiving at least \$5,000,000 in Medicaid receipts annually, as identified by the Division of Medical Assistance, must sign, as part of their continuing participation as a Medicaid provider, a Letter of Attestation affirming that: 1) detailed information is provided to employees, contractors and agents about the Federal & State False Claims Act and 2) written policies and procedures are in place to detect and prevent fraud, waste and abuse.
 - b. Make every reasonable effort to collect its cost in providing services, for which Medicaid reimbursement is sought, through public or private third party payors except where prohibited by Federal regulations or State law; however, no one shall be refused services solely because of an inability to pay.

- c. Establish one *charge* per clinical/support service for all payors (including Medicaid) based on their costs. All Payors must be billed the same established charge, but the Department may accept negotiated or other agreed upon lower amounts (e.g., the Medicaid reimbursement rate) as payment in full.
9. Subject to the approval of the appropriate Section, a local health department may seek reimbursement for services covered by a program operating under 10A NCAC 45 rules, Purchase of Medical Care Services (POMCS), when those services are not supported by other state or federal funds. All payment program rules and procedures as specified in the Purchase of Medical Care Services Manual must be followed.
10. Provision of Interpreter Services: As required by Title VI of the Civil Rights Act, a local health department that receives federal funds (either directly or through the Division of Public Health) for any program or service must provide interpreter services at no charge to *Limited English Proficiency* clients in all programs and services offered by the health department.
11. A local health department may not require a client to present identification that includes a picture of the client for at least immunization, pregnancy prevention, sexually transmitted disease and communicable disease services.
12. Subject to the availability of funds and approval of the Public Health Nursing and Professional Development Unit, a Department may request reimbursement for:
 - a. Nursing service personnel participating in the "Introduction to Principles and Practices of Public Health and Public Health Nursing" course. Reimbursement is \$400.00 per participant upon successful completion of the course.
 - b. Nursing service personnel participating in the "Management and Supervision for Public Health Nurse Supervisors and Directors" course. Reimbursement is \$600.00 per participant upon successful completion of the course.
 - c. Health Department Management level staff (all disciplines) attending certain Management training endorsed by the State Health Director's Office when the local staff member is a part of a team accepted into these trainings/institutes.
13. Audits/Monitoring:
 - a. The Department shall have an annual audit performed in accordance with "The Single Audit Act of 1984 as implemented by OMB Circular A-133." The audit report shall be submitted to the Local Government Commission (LGC) by the County Administration (if single county health department) or the District Health Department or Public Health Authority (if so organized) within (six) 6 months following the close of the agreement. Audit findings referred to the DHHS Controller's Office by LGC will be investigated and findings verified by the DHHS Controller's Office staff with assistance of the Division of Public Health Program Staff.
 - b. All District Health Departments and Public Health Authorities must complete quarterly a Fiscal Monitoring Report and submit to the DHHS Controller's Office based on the schedule published by the DHHS Controller's Office.
14. Equipment is a type of fixed asset consisting of specific items of property that: (1) are tangible in nature; (2) have a life longer than one year; and (3) have a significant value.
 - a. For Inventory Purposes

- 1) Equipment must be accounted for in accordance with the North Carolina Department of State Treasurer Policies Manual, Chapter 20, and Fixed Assets Policy.
- 2). All equipment with an acquisition cost of \$500.00 or more which is purchased with Women, Infants and Children (WIC) Program Funds, must be inventoried with the Women's and Children's Health Section.

b. For Prior Approval Purposes

- 1) All equipment purchased or leased with an acquisition cost exceeding \$2500.00 (*except in WIC; see item ii below for WIC requirements*), where there is an option to purchase with State/Federal funds must receive prior written approval from the appropriate Branch/Section. *For PHP&R Grant funds only this is any purchase exceeding \$2500 per invoice (e.g., if the agency is purchasing a computer, monitor, printer, etc. totaling more than \$2500 or purchasing 6 computers at \$500 each, this should be treated as one purchase for purposes of prior approval.)*
- 2) *For WIC*, all computer and medical equipment purchased or leased, must receive prior written approval from the Branch regardless of cost. In addition, all other tangible assets (non computer/medical) with an acquisition cost exceeding \$500.00 must receive prior approval.
- 3) The use of Women's and Children's Health Medicaid fees for capital improvements requires prior written approval from the Women's and Children's Health Section.

- c. For Accounting Purposes: The Department must utilize the depreciation schedule provided by the State for all assets with an acquisition cost of \$5,000 or greater. The accumulated depreciation should be recorded in the general fixed assets account group.

15. The Department agrees to execute the following Consolidated Federal Certifications attached to this agreement as applicable when receiving Federal funds:

- a. Certification regarding Lobbying.
- b. Certification regarding Debarment.
- c. Certification regarding Drug-Free Workplace Requirements.
- d. Certification regarding Environmental Tobacco Smoke

16. When administering the Women, Infants, and Children's Program (WIC), the Department must adhere to the requirements set forth in Section 361 of the Healthy Hunger-Free Kids Act of 2010 which amended Section 12(b) of the Richard B. Russell National School Lunch Act (NSLA), 42 USC 1760(b). This Act requires the Department to support full use of the Federal administrative funds provided for the WIC program. The Federal administrative funds are specifically excluded from budget restrictions or limitations including, at a minimum, hiring freezes, work furloughs and travel restrictions.

C. FISCAL CONTROL

1. The Department shall comply with the Local Government Budget and Fiscal Control Act, North Carolina General Statute Chapter 159, Article 3.
 - a. The Department shall maintain a purchasing and procurement system in accordance with generally accepted accounting practices and procedures set forth by the Local Government Commission.

- b. The Department shall execute written agreements with all parties who invoice the Department for payment for the provision of services to patients. Exceptions may be permitted in cases where the patient has a preference for a non-contracted provider and that provider verbally agrees to abide by program requirements and to accept program payment as payment in full.
 - c. The Department, when subcontracting, must meet the following conditions:
 - 1) The Department is not relieved of any of the duties and responsibilities provided in this agreement.
 - 2) The subcontractor will agree to abide by the standards contained herein or to provide such information as to allow the Department to comply with these standards.
 - 3) The subcontractor will agree to allow state and federal authorized representatives' access to any records pertinent to its role as a subcontractor of the Department.
 - 4) Upon request, the Department will make available to the State a copy of subcontracts supported with State/Federal funds.
 - d. The Department must receive prior written approval from the state to subcontract when any of the following conditions exist:
 - 1) The Department proposes to subcontract to a single entity fifty percent (50%) or more of the total state and federal funds made available through this agreement.
 - 2) The Department proposes to subcontract fifty percent (50%) or more, or \$50,000, whichever is greater, of the total state and federal funds made available through this agreement for a single public health service or program.
 - 3) The Department proposes to subcontract for services in the Women, Infants and Children (WIC) Program.
 - e. The Department shall mail a signed copy of all final public health Funding Authorizations to the DPH Budget Office, 1931 Mail Service Center, Raleigh, NC 27699-1931. The Department shall retain a copy of all Funding Authorizations, the monthly certified electronic printed screen of the Expenditure Reports with any amendments (via the Aid-to Counties Website), Consolidated Agreement, Agreement Addenda, Revisions and other financial records in accordance with the current Records Disposition Schedule for County and District Health Departments issued by the NC Division of Archives and History, Department of Cultural Resources and located on their website at:
<http://www.ah.dcr.state.nc.us/records/local/default.htm>.
 - f. The Department shall mail a signed original of the Food and Lodging Local Health Department Budget Form (DPH EH 2948 (A)) to the Division of Public Health, Environmental Health Section, Environmental Health Services Branch, 1632 Mail Service Center, Raleigh, NC 27699-1632.
2. The Department shall prepare and maintain a Local Appropriations Budget (reflecting the plans to use local appropriations or earned fees) for each activity covered by this agreement in a manner consistent with instructions provided in general budgetary guidance from the Division and the specific guidance from the respective programs and enter that budget information into the Electronic Aid to Counties Website for each activity funded under this agreement.

- a. The Department shall do budget revisions to their Local Appropriation budgets when appropriations will be increased or decreased and enter that information in the Electronic Aid to Counties Website.
3. (Local Earned Revenues) The Department shall observe the following conditions when budgeting and reporting earned revenues:
 - a. Locally appropriated funds may not be supplanted by earned revenues from persons, or public or private third party payors.
 - b. All earned revenue (officially classified as local funds) must be budgeted and spent in the program that earned it except,
 - 1) Revenue generated by WCH Section Programs, except WIC, may be budgeted and expended (consequently reported) in any WCH Section Program activity.
 - 2) Revenue generated by a local clinic or program that has no state funded activity budget (no state/federal funds) should be budgeted and associated expenditures reported in a state program activity that most closely matches the deliverables of the respective state program. This process will enable the collection of total expenditures in public health per program.
 - c. All fees collected shall be used in the current year or succeeding fiscal years.
 - d. Use of program income generated by the expenditure of Federal categorical funds will be governed by applicable Federal regulations, including, but not limited to, 45 CFR 4.
 - e. Local Budgets for DHHS Reporting:
 - 1) After preparing Local Budgets you must use the Allocation/County Line on the Electronic Aid to Counties Website to show the approved local funding.
 - i Line item 101 on the Electronic Aid to Counties Website must be used to budget local appropriations for each program activity, if applicable.
 - ii Line item 102 on the Electronic Aid to Counties Website must be used to budget Title XIX Medicaid earned revenues for each program activity, if applicable.
 - iii Line item 103 on the Electronic Aid to Counties Website must be used to budget other earned revenues (e.g., Home Health fees, patient fees (cash), other insurance payments, and other grants and donations) for each program activity, if applicable.
 - iv Line item 104 on the Electronic Aid to Counties Website must be used to budget Local funding associated with Teen Pregnancy activities, if applicable.
 - v Line item 106 on the Electronic Aid to Counties Website must be used to budget Local funding for bioterrorism activities, if applicable.
 - vi Line item 107 on the Electronic Aid to Counties Website must be used to budget Temporary Food Establishment (TFE) fees collected, if applicable.

Note: LHD shall report **Local** expenditures in the appropriate category (e.g., 101, 102, 103, 104, or 106) in the ZZZZ line item in the Aid to County Database and TFE fees collected in Category 107 in the ZZZZ line item in the Aid to County Database.

- f. When reporting local expenditures (local appropriations, Medicaid or other earned revenues) the department must use the electronic Aid-to-Counties Website to report the pertinent month's *actual expenditures*. (NOTE that an "actual expenditure" is one for which the item has been ordered, received, invoiced and the check has been cut) or if the Agreement Addenda allows for drawing down funds based on number of individuals screened or provided services, the actual number screened or served multiplied by the per capita rate specified in the Agreement Addenda. The Expenditure Reports must be submitted monthly in the electronic website format and certified in the website to the DHHS Controller's Office.
- 1) Line item 101 on the Electronic Aid-to-Counties Website must be used to report local appropriations that were expended on a monthly basis.
 - 2) Line item 102 on the Electronic Aid-to-Counties Website must be used to report Title XIX (Medicaid) earned revenues that were expended on a monthly basis.
 - 3) Line item 103 on the Electronic Aid-to-Counties Website must be used to report other earned revenues that were expended on a monthly basis.
 - 4) Local funding for Teen Pregnancy Prevention Initiatives (104) and Bioterrorism (106) must be reported on the Electronic Aid-to-Counties Website on a monthly basis.
 - 5) Line item 107 must be used to report Temporary Food Establishment fees collected on a monthly basis.
- g. A local account shall be maintained for unexpended earned revenues [i.e., Title XIX fees, private insurance or private pay {cash}]. Accounts shall be maintained in sufficient detail to identify the program source generating the fees.
- h. The amount of Title XIX fees budgeted and expended in FY 2012-2013 must equal or exceed the amount of Title XIX revenues earned during FY 2010-2011. The state will not approve program activity budgets that do not include an amount of Title XIX fees sufficient to meet the requirements of this section. The State may waive this requirement if the Department provides sufficient justification.
4. (State/ Federal Revenues **only**) The Department shall submit a monthly report of actual expenditures (State and/or Federal) to the DHHS Controller's Office in the Electronic Aid-to-Counties Website as referenced in 3.f. above – all reported in one system, but separated here for clarity of instructions.
- a. The Department shall submit a monthly Expenditure Report of the pertinent month's actual expenditures for all programs via the Aid-to-Counties Website to the DHHS Controller's Office *no later than* the dates published annually in November or December for the next calendar year. The schedule reflects a general period of 15-20 days from the end of the reporting month for submission of the Aid-to-Counties Website report, based on weekends and holidays, to allow processing time for the payment. Failure to meet the reporting deadline, as published, WILL result in the exclusion of those expenditures in the OSC E-Payment for that month. Early submission may result in earlier payment to the Department. The Department must submit these monthly Expenditure Reports, via the Aid-to-Counties Website, consecutively throughout the agreement period.

The health director and the finance officer will approve the monthly Expenditure Report in the Aid-to-Counties Website and the system will alert the staff in the DHHS Controller's Office that expenditures have been approved and certified. The "Certification" verifies that the total State and Federal expenditures reported are valid for the pertinent month's actual expenditures. Local expenditures are part of the Expenditure Report, but are not included in the amount verified in the "Certification." Local appropriations must be reported monthly along with the State and Federal expenditures.

- b. Departments shall keep expenditure reporting current and submit their certification of expenditures per the published DHHS Controller's Office Schedule. Funding is based on an Allocation Method, not a Contract Method, and counties receive reimbursement for services provided during one month in the following month. Therefore, the last service month to be paid in the SFY will be May services which are reported and paid in June.

A department's June, 2012 expenditure report will be paid in July, 2012 and will be paid from a department's funding allocation for SFY 2012-13. Therefore a department will need to submit all requests for adjustments, corrections, or amendments to expenditure reports for fiscal year 11-12, with the May, 2012 expenditure report.

- c. Expenditures of federal funds must be reported according to the funding period for a grant. Care must be taken to be attentive to the service month/payment months for each grant as well as the ending settlement date for a grant. (For example, a grant which ends November 30 will have 6 service/payment months charged against it: 1) June 2012 service month/paid in July; 2) July service month/paid in August; 3) August service month/paid in September; 4) September service month/paid in October; 5) October service month/ paid in November; and 6) November service month/paid either in December, or before the ending date of that grant's settlement period. In this example the remaining 6 service/payment months will be December service month/paid in January through May service month/paid in June, 2013.) For each Grant, the budgetary estimate, funding authorization and agreement addendum will have service/payment month dates listed.
- d. The Department shall submit the final LHD Expenditure Report (Electronic, via the Aid-to-Counties Website) for all programs to the DHHS Controller's Office according to the schedule published annually in November or December for the next Calendar Year by the DHHS Controller's Office. **The May Services/Paid in June will be the final report period paid from the SFY. Services provided in June and reported in July will be paid out of the next SFY.**
- e. The Department shall have the opportunity to submit amended expenditure reports in the month following discovery of the error. A department should not wait to submit all adjustments with the invoice submitted to the Controller's Office at the end of May as that will not allow sufficient time for verification of the adjustments before the last payment in the state Fiscal Year.
- 1) In accordance with item 4.c, above, each department must be mindful to keep current on reporting adjustments against federal funds to ensure such adjustment is received in time to be paid within the grant period for that grant.
 - 2) The Department shall review their prior reimbursement claims against payments monthly.

- 3) Amended reports (with the exception of WIC, FP and SFSP) must be submitted no later than the next reporting date after the grant period ends in order to be paid. (Example: if the grant period ends 9/30/12, the amended report must be received by the Controller's Office no later than the next reporting date after that – i.e., October's reporting date.)
 - 4) The only adjustments, if any, that should be submitted with the May service expenditure report submitted in June would be any missed on the prior month's claim. If a department waits until the May service month expenditure report submission to report adjustments, the DHHS Controller's Office cannot guarantee those adjustments can be verified in time for the June payment.
 - 5) Any overpayments identified by either the State or the Department will be adjusted out of the next month's claim for reimbursement by the DHHS Controller's Office. There is no provision to carry forward funds from one State Fiscal Year to another; therefore, any adjustment not included in the June (or earlier if grant period expires during the fiscal year) payment should be paid from local funds. If reported to the State as an adjustment, the payment will come from (and will therefore, reduce) the allocation for the next fiscal year.
- f. The Department shall submit requests for payment for services provided under 10A NCAC 45.A rules to the Claims Processing Unit, Purchase of Medical Care Services, DHHS Controller's Office.
 - g. The Department shall submit requests for reimbursement for nurse training to the Public Health Nursing and Professional Development Unit. Form 3300 – Public Health Nurse Training Activity must be used as the invoice for payment.
5. The Department shall maintain expenditures for maternal health, child health and family planning programs per General Statute 130A-4.1(a). The amount of expenditures shall be calculated by the State and provided to the Department as described in section G.21 of this document.

D. PERSONNEL POLICIES

1. The Department shall adhere to and fully comply with State personnel policies as found in North Carolina General Statute, Chapter 126, and 1 NCAC 8. Such policies include, but are not limited to, the following:
 - a. Equal employment opportunity,
 - b. Affirmative action,
 - c. Policies for local government employment subject to the State Personnel Act,
 - d. "Local Classification and Salary Range,"
 - e. "Compensation Policy for Local Competitive Services Employees," and
 - f. "Recruitment and Selection Policy and Procedures. "
2. Environmental Health Specialists employed by the Department shall be delegated authority by the State to administer and enforce State environmental health rules and laws as directed by the State pursuant to G.S. 130A-4(b). This delegation shall be done according to 15A NCAC 10.0100.
 - a. Local health departments are responsible for sending their newly employed environmental health specialists (interns) to centralized training within 180 days from date of employment.

- b. Arrangements for centralized training for newly-employed environmental health specialists will be handled by the Education and Training Staff, Division of Public Health.
 - c. A local health department which is contracting with an environmental health specialist employed by another department shall be responsible for assuring that all original documents, correspondence, and other public records be maintained in the health department using the contractor and the contract shall stipulate that the contractor shall be available for consultation to the public being served.
3. The Department shall comply with Minimum Standard Health Department Staffing 10A NCAC Section 46 .0301(c), and shall assure that all nursing staff who provide public health services funded by this agreement comply with this rule.

E. CONFIDENTIALITY

All information as to personal facts and circumstances obtained by Department personnel in connection with the provision of services or other activity under this agreement shall be privileged communication, shall be held confidential, and shall not be divulged without the client's, or responsible person's, written consent; except as may be otherwise required by applicable law or regulation. Such information may be disclosed in summary, statistical, or other form which does not directly or indirectly identify particular individuals. Department employees must sign confidentiality pledges documenting the knowledge of, and the agreement to maintain, personal and medical confidentiality.

F. CIVIL RIGHTS

1. The Department shall assure that no person, on the grounds of race, color, age, religion, sex, marital status, immigration status, national origin or otherwise qualified handicapped individual, solely by reason of his/her handicap (unless otherwise medically indicated), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity covered by this agreement.
2. The Department shall complete HHS Form 690, Assurance of Compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973; Title IX of the Education Amendments of 1972, and the Age Discrimination Act of 1975.
3. The American with Disabilities Act 1990 (ADA) makes it unlawful to discriminate in employment against a qualified individual with a disability and outlaws discrimination against individuals with disabilities in State and local government services and public accommodations. The Department certifies that it and its principals and subcontractors will comply with regulations in ADA Title I (Employment), Title II (Public Services), and Title III (Public Accommodations) in fulfilling the obligations under this agreement.

G. RESPONSIBILITIES OF THE STATE

1. The State shall provide to the Department regular training, and, upon request, technical assistance in the preparation of the Consolidated Agreement and Agreement Addenda.
2. The State shall conduct liaison activities with local health departments for general problem solving and technical support.
3. The State shall provide high-level consultation, technical assistance, and advice to local health directors. Broad content areas include, but are not limited to:

- Board Relations
 - Management Teams/Staffing
 - Policy Development
 - Program Planning and Implementation
 - Quality/Performance Improvement
 - General Administrative Consultation, including consultation and technical assistance in budgeting, fiscal, administrative and management support topic areas.
4. The State shall provide coordination and support for the education and training for the public health workforce.
 5. The State shall provide technical assistance and consultant services, as required, for specific health program areas, including providing guidance and consultation about specific patient clinical issues, when requested.
 6. The State shall provide course coordination, consultation, and technical assistance on nursing practice and standards, policies and procedures that cross programs.
 7. The State shall provide support and consultation to the public health workforce in local health departments, including regional public health consultants who offer technical assistance and training on professional development; program planning, program evaluation and quality assurance; data collection; and community assessment.
 8. The State shall act as the principal liaison between the public health system and the state's Medicaid agency on issues related to Medicaid reimbursed services provided by the state and local public health agencies and shall cooperate with the state Medicaid agency to provide technical assistance, guidance, and consultation to local health programs to ensure compliance with Medicaid policies and procedures.
 9. The State shall design and implement annual cost studies to ensure appropriate cost-based Medicaid reimbursement.
 10. The State shall work with the NC Division of Information Resource Management to provide automated systems and facilities via the Health Information System (HIS). HIS is currently used to create and submit Medicaid claims, perform accounts receivables, and to collect other DPH program-related data from client, service, encounter and other data on behalf of the local health departments and other public health programs. The State shall provide business and technical support for the automated systems to the users of this system.
 11. The State shall provide support and consultation to ensure that the Health Information System (HIS) can generate standard transactions for public health Medicaid claims and for public health claims to all insurers submitted on behalf of the local health departments per HIPAA [the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-91) subparts I through N, which define the standards for specific transactions.]

12. The State shall responsibly use data reviewed and received in its role as a public health authority and health oversight agency while respecting the confidentiality and integrity of the data and securing and protecting the privacy of individual client health information (see Business Associate Addendum to this Consolidated Agreement)
13. The State (DPH) shall provide to the Department "Budgetary Estimates of Funding Allocations" no later than February 15 of each year to use in preparation of their local budget proposals per current GS. The exception is the Food & Lodging distributions required by G.S. 130A-248(d). The State will not enter budgetary estimates into the Aid to County Database, but shall provide to the Department the Food & Lodging Local Health Department Budget Form" (DPH EN 2948 (A)) indicating the estimated funding allocation for the 1st distribution no later than February 15. The State shall provide to the Department the Food & Lodging Local Health Department Budget Form" (DPH EN 2948 (A)) indicating the estimated funding allocation for the 2nd distribution no later than **March 30th** for the state fiscal year in which payment will be made.
14. The State (DHHS) shall provide a "Funding Authorization" to the Department after the receipt of the Certified State Budget. Funds must be appropriately budgeted by the State in the NC Accounting System (NCAS) prior to the issuance of the "Funding Authorization." If funds are restricted through quarterly allotments for FY13, as they were in FY10, the initial Funding Authorization will only include ¼ of the annual amount for each specific activity involving State funds.
15. The State (DPH) shall provide funds to the Department upon receipt of this executed agreement and timely submissions of Expenditure Reports. Payment will be made to the Department according to the DHHS Controller's Office E-Payment Schedule issued November or December of each year for the following calendar year.
16. The State (DPH) shall provide Food & Lodging funds to the Department upon receipt of the executed agreement addenda and the signed, completed, and approved Food & Lodging Local Health Department Request for Payment Form (DPH EH 2948 (B)).
17. The State shall assist the Department to comply with all applicable laws, regulations, and standards relating to the activities covered in this agreement.
18. The State reserves the right to conduct reviews, audits, and program monitoring to determine compliance with the terms of this Agreement and its associated Agreement Addenda.
19. The State shall be assured that the Department maintains expenditures of locally appropriated funds (MOE) for maternal health, child health, and family planning program activities equal to, or greater than, that reported on the Staff Time Activity Report for the period beginning July 1, 1984, and ending June 30, 1985. This figure will be increased annually based on a federally accepted inflation index (first updated FY 2000-2001 Agreement.) This revised baseline figure will be calculated and provided to Departments for use in budget preparation.
20. **For services of the State Laboratory :**
 - a. Provide free or at cost mailers that meet the US Postal Service/DOT UN3373 Biologic substance shipping and packaging regulations for samples submitted to the State Laboratory *only* as ordered via the web-based mailroom ordering system;
 - b. Assure qualified personnel to process, analyze and report test results;
 - c. Assure that the State Laboratory maintains CLIA certification;

- d. Submit invoices to the local health departments via electronic means; and
- e. Collect interest (per N.C.G.S. 147-86.23 and 150-241.1) and a 10% late fee as appropriate;

H. DISBURSEMENT OF FUNDS

1. The State shall disburse funds to the Department on a monthly basis; monthly disbursements for each program activity will be based on monthly expenditures reported.
2. The State shall disburse Food and Lodging funds in accordance with NCAC T15A:18A . 2900 – “Restaurant and Lodging Fee Collection and Inventory Program” in the month following receipt of the signed, completed, and approved Food & Lodging Local Health Department Request for Payment Form (DPH EN 2948 (B)). The exception is that Temporary Food Establishment (TFE) fees MUST be collected by the Department and must be expended to support the food, lodging, and institution sanitation programs and activities. Such fees shall be deemed to have been disbursed to the Department upon their collection and shall be reported in the Aid to County Database on the ZZZZ line for Activity #874, Category 107 – Local Temporary Food Establishment (TFE – State).
3. Payments shall be suspended when expenditure reports are not received by the time specified (see C.4.a.). Payments will resume the month following the receipt of the delinquent expenditure reports according to the DHHS Controllers office schedule for OSC E-Payments issued in November or December of each year for the following calendar year.
4. Total payment by program activity is limited to the total amount of the “Funding Authorization” and any revisions received after the initial “Funding Authorization” notification.
5. Final payments for the SFY will be made based on the Final monthly (May services/ submitted in June Report) Expenditure Report. Final payments will be equal to the difference between approved reported expenditures and the sum of previous payments up to the limits of the approved budget. Final payments should be made no later than the June OSC E-Payment period per the DHHS Controller’s Office schedule, provided that an Expenditure Report and certification, via the Aid-to-Counties Website for each month have been received by the DHHS Office of the Controller.

I. AMENDMENT OF AGREEMENT

Amendments, modifications, or waivers of this agreement may be made at any time by mutual consent of all parties. Amendments shall be in writing and signed by appropriate authorities.

J. PROVISION OF TERMINATION

Either party may terminate this agreement for reasons other than non-compliance upon sixty (60) days written notice. If termination should occur, the Department shall receive payment only for allowable expenditures.

The State may withhold payment to the Department until the State can determine whether the Department is entitled to further payment or whether the State is entitled to a refund.

K. COMPLIANCE

1. The State shall respond to non-compliance with all terms of this agreement as follows:

- a. Upon determination of non-compliance, the State shall give the Department sixty (60) days written notice to come into compliance. If the deficiency is corrected, the Department shall submit a written report to the State that sets forth the corrective action taken.
 - b. If the above deficiencies should not be corrected to the satisfaction of the State after the sixty (60) day period, disbursement of funds for the particular activity may be temporarily suspended pending negotiation of a plan of corrective action.
 - c. If the deficiency is still not corrected within the next thirty (30) days following temporary suspension of funding, program funds may be permanently suspended until the Department can provide evidence that the deficiencies have been corrected.
 - d. In the event of the Department's non-compliance with clauses of this agreement, the State may cancel, terminate, or suspend this agreement in whole or in part and the Department may be declared ineligible for further State contracts or agreements. Such terminations for non-compliance shall not occur until (1) the provisions of Section K-1 (a-c) have been followed, documented, and have failed to provide a resolution, and (2) all other reasonable administrative remedies have been exhausted.
2. Monitoring – OMB Circular A-133 (Audits of States, Local Government, and Non-Profit Organizations) as revised on June 27, 2003 requires that pass-through entities monitor the activities of their subcontractors as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations and the provision of contracts or grant agreements and that performance goals are achieved. North Carolina establishes comparable monitoring requirements for State funds received by subrecipients in N.C.G.S.158-34, *Annual independent audit: rules and regulations*, for local units of government. Also, DHHS-DPH must perform monitoring as required in the DHHS Policy and Procedure Manual entitled "Monitoring of Programs" dated August 1, 2002 and its Monitoring Plan dated January, 2006.

Additionally, each Local Health Department is required under Circular A-133, N.C.G.S.143-6.2 and N.C.G.S.159-34 to perform monitoring of its subrecipients and to maintain records to support such monitoring activities and results. Accordingly, the Department shall participate fully in monitoring by DHHS-DPH and shall appropriately monitor its subrecipients to the extent necessary based on the assessed level of risk.

- 3. If the Department or the State should be determined out of compliance with the provisions of the agreement, either party may file a formal appeal with the Office of Administrative Hearings.

IN WITNESS WHEREOF, the **Department** and the **State** have executed this agreement in duplicate originals, one of which is retained by each of the parties.

LOCAL SIGNATURES

STATE OF NORTH CAROLINA

 Health Director
 or Authorized Agent

Date

 State Health Director

Date

 Finance Officer

Date

 Chair of County Commissioners (when required)

Date

**NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUSINESS ASSOCIATE ADDENDUM TO CONSOLIDATED AGREEMENT**

This Agreement is made effective the 1st day of July, 2012, by and between

_____ (name of Local Health Department or "Covered Entity") and the Division of Public Health ("Business Associate") (collectively the "Parties").

1. BACKGROUND

- a. Covered Entity and Business Associate are parties to a Memorandum of Understanding, "entitled" **The FY2013 Consolidated Agreement** (the "MOU"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. Covered Entity is an organizational unit of the North Carolina Department of Health and Human Services (the "Department") that has been designated in whole or in part by the Department as a health care component for purposes of the HIPAA Privacy and Security Rules.
- c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy and Security Rules.
- d. The Parties enter into this Business Associate Addendum to the MOU with the intention of complying with the HIPAA Privacy and Security Rules provision that a covered entity may disclose electronic protected health information or other protected health information to a business associate, and may allow a business associate to create or receive electronic protected health information or other protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

2. DEFINITIONS.

Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

- a. "Electronic Protected Health Information" shall have the same meaning as the term "electronic protected health information" in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of a Covered Entity.
- b. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- c. "Individual" shall have the same meaning as the term "individual" in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- d. "Privacy and Security Rules" shall mean the Standards for Privacy of Individually Identifiable Health Information and Security Standards for the Protection of Electronic Protected Health Information in accordance with 45 CFR part 160 and part 164, subparts A and E.
- e. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- f. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.103.

- g. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.
- h. "Security Incident" shall have the same meaning as the term "security incident" in 45 CFR 164.304.
- i. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy and Security Rules.

3. OBLIGATIONS OF BUSINESS ASSOCIATE

- a. Business Associate agrees to not use or disclose electronic protected health information or other protected health information other than as permitted or required by this Agreement or as required by law.
- b. Business Associate agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information and other protected health information that it creates, receives, maintains, or transmits on behalf of a Covered Entity, as required by the Privacy and Security Rules.
- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of electronic protected health information or other protected health information by a Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to report to Covered Entity (i) any use or disclosure of electronic protected health information or other protected health information not provided for by this Agreement of which it becomes aware and (ii) any security incident of which it becomes aware.
- e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides electronic protected health information and/or other protected health information received from, or created or received by Business Associate on behalf of Covered Entity (i) agrees to be bound by the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information, and (ii) agrees to implement reasonable and appropriate safeguards to protect such information.
- f. Business Associate agrees to provide access, at the request of Covered Entity, to electronic protected health information and other protected health information in a Designated Record Set to a Covered Entity or, as directed by a Covered Entity, to an individual in order to meet the requirements under 45 CFR 164.524.
- g. Business Associate agrees, at the request of a Covered Entity, to make any amendment(s) to electronic protected health information and other protected health information in a Designated Record Set that a Covered Entity directs or agrees to pursuant to 45 CFR 164.526.
- h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures concerning electronic protected health information and other protected health information, relating to the use and disclosure of electronic protected health information and other protected health information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules.
- i. Business Associate agrees to document such disclosures of electronic protected health information and other protected health information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of electronic protected health information and other protected health information in accordance with 45 CFR 164.528, and to provide this information to Covered Entity or an individual to permit such a response.

4. PERMITTED USES AND DISCLOSURES

- a. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use or disclose electronic protected health information and other protected health information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the MOU, provided that such use or disclosure:
 - 1) would not violate the Privacy and Security Rules if done by Covered Entity; or
 - 2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use electronic protected health information and other protected health information as necessary for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may disclose electronic protected health information and other protected health information for the proper management and administration of the Business Associate, provided that:
 - 1) disclosures are required by law; or
 - 2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as required by law or for the purpose 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.
- d. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use electronic protected health information and other protected health information to provide data aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B).
- e. Notwithstanding the foregoing provisions, Business Associate may not use or disclose electronic protected health information or other protected health information if the use or disclosure would violate any term of the MOU or by other applicable law or agreements.

5. TERM AND TERMINATION

- a. **Term.** This Agreement shall be effective as of the effective date stated above and shall terminate when the MOU terminates.
- b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
 - 1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 - 2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
 - 3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy and Security Rules.

c. Effect of Termination.

AMENDMENT TO THE NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES BUSINESS ASSOCIATE ADDENDUM TO CONSOLIDATED AGREEMENT

This document amends North Carolina Department of Health and Human Services Business Associate Addendum to the Consolidated Agreement. This amendment is made effective the 1st day of July, 2012, by and between _____ (name of Local Health Department or "Covered Entity") and the Division of Public Health ("Business Associate") (collectively the "Parties") for the purpose of specifying the breach reporting and notification requirements following an unauthorized disclosure of unsecured Protected Health Information (PHI).

I. DEFINITIONS:

The terms defined below shall have the following meaning in this Amendment:

- a. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the PHI. For the purpose of this definition, "compromises the security or privacy of the PHI" means poses a significant risk of financial, reputational, or other harm to the individual. A use or disclosure of PHI that does not include the identifiers listed at § 164.514(e)(2), limited data set, date of birth, and zip code does not compromise the security or privacy of the PHI.

Breach excludes:

- Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a Covered Entity (CE) or Business Associate (BA) if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the HIPAA Privacy Rule.
 - Any inadvertent disclosure by a person who is authorized to access PHI at a CE or BA to another person authorized to access PHI at the same CE or BA, or organized health care arrangement in which the CE participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule; or
 - A disclosure of PHI where a CE or BA has a good faith belief that an unauthorized person to whom the disclosure was made could not have expected to use or further disclose that information.
- b. "HITECH Act" means the "Health Information Technology for Economic and Clinical Health ("HITECH") Act, Title XIII of Division A of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).
- c. "Security breach" means an incident of unauthorized access to and acquisition of unencrypted and un-redacted records or data containing personal information where illegal use of the personal information has occurred or is reasonably likely to occur or that creates a material risk of harm to a consumer. Any incident of unauthorized access to and acquisition of encrypted records or data

containing personal information along with the confidential process or key shall constitute a security breach. Good faith acquisition of personal information by an employee or agent of the business for a legitimate purpose is not a security breach, provided that the personal information is not used for a purpose other than a lawful purpose of the business and is not subject to further unauthorized disclosure.

- d. "Unsecured protected health information" means protected health information (PHI) that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of Pub. L.111-5.

The following PHI shall not be regarded as Unsecured PHI:

- Electronic PHI has been encrypted as specified in the HIPAA Security rule by the use of an algorithmic process to transform data into a form in which there is a low probability of assigning meaning without the use of a confidential process or key and such confidential process or key that might enable decryption has not been breached. To avoid a breach of the confidential process or key, these decryption tools should be stored on a device or at a location separate from the data they are used to encrypt or decrypt. The following encryption processes meet this standard:
 - Valid encryption processes for data at rest (i.e. data that resides in databases, file systems and other structured storage systems) are consistent with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices.
 - Valid encryption processes for data in motion (i.e. data that is moving through a network, including wireless transmission) are those that comply, as appropriate, with NIST Special Publications 800-52, Guidelines for the Selection and Use of Transport Layer Security (TLS) Implementations; 800-77, Guide to IPsec VPNs; or 800-113, Guide to SSL VPNs, and may include others which are Federal Information Processing Standards FIPS 140-2 validated.
- The media on which the PHI is stored or recorded has been destroyed in the following ways:
 - Paper, film, or other hard copy media have been shredded or destroyed such that the PHI cannot be read or otherwise cannot be reconstructed. Redaction is specifically excluded as a means of data destruction.
 - Electronic media have been cleared, purged, or destroyed consistent with NIST Special Publications 800-88, Guidelines for Media Sanitization, such that the PHI cannot be retrieved.

II. Reporting and Breach Notification Requirements

- a. BA shall notify CE within twenty-four (24) hours of any suspected or actual incident, breach, or intrusion involving the unauthorized access, acquisition, use or disclosure of Confidential Information by Business Associate’s employees.
- b. BA shall, following the discovery of a breach of unsecured PHI, as defined in the HITECH Act or accompanying regulations, notify CE of such breach pursuant to the terms of 45 CFR § 164.410 and cooperate in the CE’s breach analysis procedures, including risk assessment, if requested. A breach shall be treated as discovered by BA as of the first day on which such breach is known to BA or, by exercising reasonable diligence, would have been known to BA. BA will provide such notification to CE without unreasonable delay and in no event later than forty (45) calendar days after discovery of the breach. Such notification will contain the elements required in 45 CFR § 164.410.

Signatures:

LOCAL SIGNATURES

STATE OF NORTH CAROLINA

 Health Director Date
 Covered Entity (Local Health Dept)

 Business Associate Date
 (Division of Public Health)

FEDERAL CERTIFICATIONS

The undersigned states that:

- 1. He or she is the duly authorized representative of the Contractor named below;
2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Contractor, as set out herein:
a. The Certification Regarding Nondiscrimination;
b. The Certification Regarding Drug-Free Workplace Requirements;
c. The Certification Regarding Environmental Tobacco Smoke;
d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions; and
e. The Certification Regarding Lobbying;
3. He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;

4. [Check the applicable statement]

[] He or she has completed the referenced Standard Form SF-LLL, Disclosure of Lobbying Activities because the Contractor has made, or has an agreement to make, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action;

OR

[] He or she has not completed the referenced Standard Form SF-LLL, Disclosure of Lobbying Activities because the Contractor has not made, and has no agreement to make, any payment to any lobbying entity for influencing or attempting to influence any officer or employee of any agency, any Member of Congress, any officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action.

5. The Contractor shall require its subcontractors, if any, to make the same certifications and disclosure.

Signature Title

Contracting Agency's Legal Name Date

[This Certification must be signed by a representative of the Contracting Agency who is authorized to sign contracts.]

I. Certification Regarding Nondiscrimination

The Contractor certifies that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

Certification

- a. **The prospective lower tier participant certifies**, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

V. Certification Regarding Lobbying

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federally funded contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Standard Form SF-LLL and its instructions are located at the following URL: <http://www.whitehouse.gov/omb/assets/omb/grants/sfillin.pdf>
3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive federal funds of \$100,000.00 or more and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.



North Carolina Department of Health and Human Services
Division of Public Health • Local Technical Assistance and Training Branch
1916 Mail Service Center • Raleigh, North Carolina 27699-1916
Tel 919-707-5130 • Fax 919-870-4833

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Jeffrey P. Engel, M.D
State Health Director

TO: Local Health Directors, Financial Officers and WCH Clinical Supervisors

FROM: Joy F. Reed, EdD, RN, FAAN *JFR*
Head, Local Technical Assistance & Training Branch

DATE: February 15, 2012

SUBJECT: Maintenance of Effort Report for WCH Programs – Update Through 2011 for Use in FY12-13
Budget Preparation

Please see the attached revised figures relative to your Maintenance of Effort (MOE) for Women's and Children's Health (WCH) Programs referenced in Section G, item 19, under "Responsibilities of the State" in the attached Consolidated Agreement. Please remember that this value is updated annually for each local health department.

If you have questions or concerns, please contact your Administrative Consultant.

cc: Jeff Engel
Kevin Ryan
Peter Andersen
Belinda Pettiford
Carol Tant
Administrative Consultants



North Carolina Public Health
Working for a healthier and safer North Carolina
Everywhere. Everyday. Everybody.

Location: 5605 Six Forks Rd. • Raleigh, NC 27609-3811
An Equal Opportunity Employer



Maintenance of Effort Schedule - local health departments
 Citation: 130A-4.1; Consolidated Agreement clause G(19)

Local Health Department	MOE Baseline-- 1985	Updated Baseline-- CPI * - 2012-13
Alamance	\$ 215,751	\$ 455,236
Albemarle District	\$ 47,803	\$ 100,864
Alexander	\$ 33,308	\$ 70,279
Anson	\$ 27,096	\$ 57,172
Appalachian District	\$ 56,663	\$ 119,558
Beaufort	\$ 63,029	\$ 132,990
Bladen	\$ 19,564	\$ 41,280
Brunswick	\$ 122,285	\$ 258,021
Buncombe	\$ 166,104	\$ 350,478
Burke	\$ 83,689	\$ 176,584
Cabarrus	\$ 250,406	\$ 528,357
Caldwell	\$ 59,226	\$ 124,966
Carteret	\$ 16,843	\$ 35,538
Caswell	\$ 31,809	\$ 67,117
Catawba	\$ 127,542	\$ 269,114
Chatham	\$ 50,121	\$ 105,755
Cherokee	\$ 11,705	\$ 24,697
Clay	\$ 1,580	\$ 3,333
Cleveland	\$ 243,917	\$ 514,665
Columbus	\$ 85,858	\$ 181,161
Craven	\$ 113,647	\$ 239,795
Cumberland	\$ 458,294	\$ 966,999
Dare	\$ 22,597	\$ 47,680
Davidson	\$ 100,199	\$ 211,419
Davie	\$ 38,546	\$ 81,333
Duplin	\$ 84,922	\$ 179,185
Durham	\$ 439,506	\$ 927,358
Edgecombe	\$ 157,941	\$ 333,255
Forsyth	\$ 508,138	\$ 1,072,171
Franklin	\$ 65,012	\$ 137,175
Gaston	\$ 342,765	\$ 723,234
Graham	\$ 3,949	\$ 8,332
Granville-Vance District	\$ 170,160	\$ 359,037
Greene	\$ 78,527	\$ 165,692
Guilford	\$ 1,605,509	\$ 3,387,624
Halifax	\$ 118,024	\$ 249,031
Harnett	\$ 69,651	\$ 146,963
Haywood	\$ 82,684	\$ 174,463
Henderson	\$ 109,750	\$ 231,573
Hertford	\$ 3,517	\$ 7,420
Hoke	\$ 25,698	\$ 54,223
Hyde	\$ 12,355	\$ 26,068
Iredell	\$ 36,698	\$ 77,434
Jackson	\$ 11,822	\$ 24,944
Johnston	\$ 196,475	\$ 414,562

Jones	\$	22,851	\$	48,216
Lee	\$	57,470	\$	121,262
Lenoir	\$	120,667	\$	254,607
Lincoln	\$	78,475	\$	165,582
Macon	\$	27,277	\$	57,555
Madison	\$	55,718	\$	117,566
MTW District	\$	97,748	\$	206,248
Mecklenburg	\$	375,712	\$	792,752
Montgomery	\$	24,389	\$	51,460
Moore	\$	36,243	\$	76,473
Nash	\$	124,412	\$	262,509
New Hanover	\$	128,664	\$	271,480
Northampton	\$	71,678	\$	151,240
Onslow	\$	63,147	\$	133,241
Orange	\$	258,834	\$	546,140
Pamlico	\$	11,162	\$	23,552
Pender	\$	-	\$	-
Person	\$	42,878	\$	90,473
Pitt	\$	164,404	\$	346,892
Randolph	\$	81,302	\$	171,547
Richmond	\$	50,348	\$	106,235
Robeson	\$	225,422	\$	475,640
Rockingham	\$	157,370	\$	332,050
Rowan	\$	178,268	\$	376,145
RPM District	\$	48,315	\$	101,946
Sampson	\$	37,229	\$	78,553
Scotland	\$	12,388	\$	26,138
Stanly	\$	23,625	\$	49,849
Stokes	\$	41,687	\$	87,960
Surry	\$	49,658	\$	104,778
Swain	\$	10,674	\$	22,521
Toe River District	\$	49,658	\$	104,778
Transylvania	\$	66,417	\$	140,140
Union	\$	25,573	\$	53,959
Wake	\$	758,321	\$	1,600,057
Warren	\$	8,551	\$	18,042
Wayne	\$	271,847	\$	573,597
Wilkes	\$	73,909	\$	155,947
Wilson	\$	59,617	\$	125,793
Yadkin	\$	20,687	\$	43,650
TOTAL:	\$	10,583,276	\$	22,330,712

Notes:

* Adjusted for inflation, 1985 through 2011, based upon changes in Consumer Price Index (CPI). Adjustment factor equals 211%

Reference for calculating CPI changes:

http://www.bls.gov/data/inflation_calculator.htm



North Carolina Department of Health and Human Services
Division of Public Health • Public Health Nursing & Professional Development
1916 Mail Service Center • Raleigh, North Carolina 27699-1916
Tel 919-707-5130 • Fax 919-870-4833

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Leah Devlin, DDS, MPH
State Health Director

TO: Local Health Directors and Nursing Directors

FROM: Joy F. Reed, EdD, RN, FAAN *JFR*
Branch Head, Local Technical Assistance and Training
Public Health Nursing & Professional Development Unit

DATE: February 15, 2012

SUBJECT: Public Health Nurse Training Funds

The protocol for reimbursement under the Public Health Nurse Training Funds is an integral component in the 2012-13 Consolidated Agreement with each local health department (see B-12 Funding Stipulations in the Consolidated Agreement). In order to be reimbursed from the training funds, the attached form (DHHS 3300) will need to be completed for individuals for whom the agency is requesting reimbursement.

1. County name
2. Name(s) of Participant(s)
3. Title of Course attended
4. Dates of attendance (month and year)
5. Amount requested
6. Health Director's signature and date
7. Name and telephone number of person preparing the form DHHS 3300

You may request reimbursement upon notification of *successful completion* of the Introduction to Principles and Practices of Public Health and Public Health Nursing course (reimbursement is \$400), the Management and Supervision for Public Health Nurse Supervisors and Directors course (reimbursement is \$600), or a management training/institute course approved as outlined in item B-12c of the Funding Stipulations in the Consolidated Agreement (maximum reimbursement of tuition/registration paid).

All reimbursements are based on availability of funds.

Please submit the completed form directly to Public Health Nursing and Professional Development Unit, 1916 Mail Service Center, Raleigh, NC 27699-1916.

Attachment: Form DHHS 3300



North Carolina Public Health
Working for a healthier and safer North Carolina
Everywhere. Everyday. Everybody.

Location: 5605 Six Forks Rd. • Raleigh, NC 27609-3811
An Equal Opportunity Employer



CONSOLIDATED AGREEMENT Public Health Nursing Training Funds Reimbursement Request

Public Health Nursing &
Professional Development

Office, Section, or Branch

N/A

Contract Number

Public Health Nurse Training

Activity

Contractor (County Name)

Date Attended (Mo. & Yr.)

Name(s) of Participant(s)

Course attended

*Amount Requested: \$

Health Director Signature

Date

Contact Person Signature

() -

Telephone Number

This form is to be used when requesting reimbursement. Submit this reimbursement request directly to:

Public Health Nursing & Professional Development
DHHS - Division of Public Health
1916 Mail Service Center
Raleigh, NC 27699-1916

Reviewed by: