

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: May 4, 2020

SUBJECT: FY 2021 Consolidated Agreement
NC Department of Health & Human Services (NC DHHS)

PRESENTER: Steve Smith, Health Director

ATTACHMENTS: 1. FY 2021 Consolidated Agreement Changes Overview
2. FY 2021 Consolidated Agreement
*Signatures on page 16 (County Official & Finance Officer)

SUMMARY OF REQUEST:

The Henderson County Department of Public Health is requesting approval of the master Consolidated Agreement with the NC Department of Health & Human Services for FY 2021. This agreement is presented to the Board of Commissioners on an annual basis and has historically been signed by the Chairman of the Board of Commissioners or the County Manager (as County Official), County Finance Officer and Health Director. There are no significant changes with the agreement requirements as compared to the FY 2020 Consolidated Agreement. The Changes Overview document summarizes the changes for FY 2021.

The Henderson County Board of Health reviewed and approved the document at their March 11, 2020 meeting with guidance to forward the agreement to the Board of Commissioners for their consideration and final approval.

The document has also been shared with the County Finance Director.

BOARD ACTION REQUESTED:

The Board is requested to approve the FY 2021 Consolidated Agreement with the NC Department of Health & Human Services as presented.

Suggested Motion:

I move the Board approve the FY 2021 Consolidated Agreement between the NC Department of Health & Human Services and the Henderson County Department of Public Health.

FY 2021 CONSOLIDATED AGREEMENT CHANGES OVERVIEW

Overarching changes to the Consolidated Agreement (CA)

- Dates Changed – now aligns with AAs’ Service Period: June 1 – May 31 (rather than the payment period).
- Overall document formatting was improved to enhance readability and comprehension.
- Parties to the agreement clarified by simplifying names:
 - Replaced “Department” with “Local Health Department (LHD)”
 - Replaced “State” with “Division of Public Health (DPH)”
- Reorganized to streamline and follow logical order. For example, LHD responsibilities appear first in the agreement followed directly by DPH responsibilities.
- Language which appears in an Agreement Addendum was removed from the CA.
- Current contact information and references/resources were updated throughout.
- Redundancies in document were removed.

Specific changes to the CA

- Language regarding committing to achieve health equity was added to the LHD and DPH sections (see *Additions* section below)
- Clarified the Care Management language (section A.a.6., 7.)
- Reimbursement forms for *Management and Supervision for Public Health Professionals* and *Principles and Practices for Public Health Professionals* continuing education courses were removed from the document. A URL link to a new combined online reimbursement form will be imbedded in the final version. (section C.c.1)
- Corrected the reference to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) in section A.b.5 from “Public Law 104-91” to “Public Law 104-191.”

Additional language in the CA, and where it appears in the FY21 CA:

- A.a.3. The LHD shall be committed to achieve health equity, promote inclusion of all populations affected by conditions contributing to health disparities (including race or ethnicity, sex, sexual identity, age, disability, socioeconomic status, and geographic location), and ensure all staff, clinical and non-clinical, participate in ongoing training focused on health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity.” The LHD shall administer and enforce all rules that have been adopted by the Commission for Public Health or adopted by the Local Board of Health, Consolidated Human Services Board, or Board of County Commissioners (hereinafter referred to as “LHD governing board”), and laws that have been enacted by the North Carolina General Assembly.
- B.a.2. DPH shall provide coordination and support for the education and training for the public health workforce, including developing training opportunities to achieve health equity, promote inclusion of all populations affected by health disparities (including racial/ethnic minority groups and persons with disabilities), and ensure all staff, clinical and non-clinical, have opportunities for training focused on

FY 2021 CONSOLIDATED AGREEMENT CHANGES OVERVIEW

- health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity.
- C.d.1.a.2. All equipment with an acquisition cost of \$500 or more which was purchased with Women, Infants and Children (WIC) Program Funds, **prior to January 1, 2018 will be inventoried with the Women’s and Children’s Health Section. The Local Agency is responsible for assigning a fixed asset number and applying a fixed asset tag to equipment purchased by the Local Agency, using WIC funds, after January 1, 2018. Within 60 days of the purchase, the Local Agency will provide to the Nutrition Services Branch a written report of the purchase, including a description of the item purchased, serial number, fixed asset tag number, and a copy of the bill of sale.**
- C.d.1.b.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 must receive prior approval. **Computer accessories, such as keyboards and monitors, do not require approval.**

Language removed from the CA, and where it appeared in the FY20 CA:

- C.2.b. The Department, if it is a District Health Department, Public Health Authority, or Hospital Authority, must complete quarterly a Fiscal Monitoring Report and submit it to the Branch Head of DPH, Local Technical Assistance and Training Branch.

[The paragraph prior to C.2.b. remains, and appears in the FY21 CA under section D.g.]

Specific line-item instructions for local budget reporting were removed.

- C.4.d.1., C.4.e. 1) Local Budgets for DHHS Reporting: After preparing Local Budgets, the Department must use the following Allocation/County Lines in the Aid-to-Counties Database to show the approved local funding:
- a) Line item 101 must be used to budget local appropriations for each program Activity, if applicable.
 - b) Line item 102 must be used to budget Title XIX Medicaid earned revenues for each program Activity, if applicable.
 - c) Line item 103 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.
 - d) Line item 104 must be used to budget Local funding associated with Teen Pregnancy Activities, if applicable.
 - e) Line item ZZZZ must be used to report Temporary Food Establishment (TFE) fees.

[DPH will update the ATC training and related training guide to clarify the required steps.]

FY 2021 CONSOLIDATED AGREEMENT

This Agreement is made between the **North Carolina Department of Health and Human Services, Division of Public Health** (hereinafter referred to as “DPH”) and the **Henderson County Department of Public Health** (herein after referred to as “LHD”) for the purposes of maintaining and promoting the advancement of public health in North Carolina. This Agreement shall cover a period from June 1, 2020 to May 31, 2021 and shall remain in force until the next Fiscal Year Agreement is signed except as provided for in Section J. Termination.

Now, therefore, DPH and the LHD 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. LHD RESPONSIBILITIES

a. Performance

1. The LHD shall perform activities in compliance with applicable program rules contained in the North Carolina Administrative Code, as well as all applicable federal and North Carolina laws and regulations.
2. The LHD shall perform the activities specified in the Agreement Addenda for State-funded budgets. The LHD must negotiate these Agreement Addenda in good faith to the satisfaction of DPH representatives as part of the Agreement execution. The LHD will meet or exceed the Agreement Addenda deliverables unless extenuating circumstances prevail and are explained in writing and subsequently approved by the DPH section, branch or program.
3. The LHD shall be committed to achieve health equity, promote inclusion of all populations affected by conditions contributing to health disparities (including race or ethnicity, sex, sexual identity, age, disability, socioeconomic status, and geographic location), and ensure all staff, clinical and non-clinical, participate in ongoing training focused on health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity. The LHD shall administer and enforce all rules that have been adopted by the Commission for Public Health or adopted by the Local Board of Health, Consolidated Human Services Board, or Board of County Commissioners (hereinafter referred to as “LHD governing board”), and laws that have been enacted by the North Carolina General Assembly.
4. The LHD shall provide to DPH a copy of any rules adopted, amended or rescinded by the LHD governing board pursuant to NCGS § 130A-39 Powers and duties of a local board of health and Public Health Ordinances adopted by the County Commissioners, within 30 days of adoption or rescission. These rules and ordinances are to be sent to the Deputy Director of DPH or designee.
5. The LHD shall provide formal training/orientation for its LHD governing and/or advisory board members.
6. The LHD shall 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.
7. LHDs shall provide or assure provision of Care Management for High-Risk Pregnancies (CMHRP), formerly known as Pregnancy Care Management (OBCM), and Care Management for At-Risk Children (CMARC), formerly known as Care Coordination for Children (CC4C). These services

may be funded by Medicaid, state or federal funding through Agreement Addenda, private funders or local funds.

- a) Per federal CAPTA requirements, a notification to the county child welfare agency must occur upon identification of an infant as “substance-affected,” as defined by NC DHHS, for the development of a Plan of Safe Care (POSC). The Plan of Safe Care requires that all substance-affected infants be referred by the local Child Welfare Agency to the LHD for CMARC/CC4C for care management and care coordination, regardless of insurance coverage.
- b) Medicaid requires that the LHD has the first right of refusal to provide CMHRP and CMARC services.
- c) The LHD shall use every resource including technical assistance from the regional consultants and Women’s and Children’s Health (WCH) Section to resolve issues to prevent discontinuation of services.
- d) In the event that the LHD determines it cannot directly provide CMHRP and/or CMARC, the LHD shall:
 - 1) Notify the DPH Director in writing of the LHD’s intention to discontinue the service at least 90 days in advance of any planned action.
 - 2) Cooperate with DPH in identifying another LHD that can provide these care management services.
 - 3) Provide a written plan outlining the agreed upon terms for the transition to the DPH Director.

Discontinuation of CMHRP and CMARC without an approved transition plan may result in the withholding of all funds to the LHD at the discretion of the DPH Director.

8. The LHD shall notify the DPH Director if there is a legal name change to the LHD, the LHD becomes part of a consolidated human services agency, a district or a public health authority or if there is any other governance change, or if the LHD is not subject to the NC Human Resources Act. Notification should be in writing, within the next business day, and provide an organization chart and any relevant supporting documents reflecting the changes.
9. The LHD shall assure DPH that expenditures of locally appropriated funds (Maintenance of Effort, or MOE) is maintained 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 July 1, 1984 through June 30, 1985. This figure is increased annually based on a federally accepted inflation index. This revised baseline figure has been calculated and is provided as Attachment A to this Consolidated Agreement for the LHD’s use in budget preparation.
10. The LHD shall retain financial and program records including electronic records in accordance with the North Carolina Department of Natural and Cultural Resource’s Local Government Schedules records retention policy and in accordance with the retention of those records as described in Section D.f. Records resulting from these services shall not be destroyed, purged or disposed of except in accordance with the records retention policy and in accordance with State and federal law. The State’s basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or

other action involving this Agreement has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.

b. Data/Reporting

1. The LHD shall report client, service, encounter, and other data as specified by applicable program rules, Agreement Addenda for State-funded budgets, and by North Carolina Administrative Code.
2. The LHD shall submit monthly reports of On-Site Wastewater activities to the On-Site Water Protection Branch in the Environmental Health Section of DPH in the format provided by the Environmental Health Section.
3. The LHD shall provide access to patient records to authorized staff from DPH for technical consultation, program monitoring, and program evaluation, as specified by this Agreement, Agreement Addenda for State-funded budgets, statute, and North Carolina Administrative Code.
4. The LHD shall provide client, service, encounter, and other data through NC's centralized automated system known as the LHD Health Services Analysis. 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 NCGS § 130A-34.2 the LHD shall allow the State to submit (on its behalf) the Social Security Numbers of all clients to the Social Security Administration for verification.
5. The LHD shall share data with DPH to support public health objectives. The data will be shared in a manner which respects the confidentiality and integrity of each party's data and protects 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 (HIPAA), Public Law 104-191, HIPAA Administration Simplification Provisions Sections 261 through 264, 45 CFR 164.512.
6. The LHD shall provide Network and internet access at its facilities (or to the county network where desired) at a minimum speed of a full T1 line in order to:
 - a) Connect with critical data and surveillance systems including, but not limited to, the North Carolina Health Alert Network (HAN), North Carolina Electronic Disease Surveillance System (NCEDSS), North Carolina Immunization Registry (NCIR), Local Health Department Health Services Analysis (LHD-HSA) and Electronic Birth Registration System (EBRS).
 - b) Rapidly communicate email alerts to and from DPH regarding bioterrorism and public health topics (outbreaks, emergency alerts, etc.)
 - c) Access DPH training material and information used for training staff, including access to webinars
 - d) Maintain a secure infrastructure for remote data entry in the LHDs
 - e) Report electronically all required Environmental Health Section inspection data in the format and frequency specified by DPH. (Paper copies of inspection data are no longer accepted for Food, Lodging, and Institutions inspections.)

The LHD may utilize security products (i.e., firewalls) of its choosing to maintain network connectivity and security integrity. The LHD network configuration and security practices must allow communication with systems within the DPH network.

c. Assessments and Plans

1. The LHD shall provide to the Director of Community Health Assessment, State Center for Health Statistics or designee:
 - a) A comprehensive community health assessment (CHA) at least every four years, for each county or health district. The CHA shall be a collaborative effort with local partners inclusive of hospitals, businesses, community partners, and the local community health coalitions and shall include the collection and analysis of primary data at the county and district level (if such exists), secondary data from the State Center for Health Statistics (SCHS) and other sources, and an assessment and analysis of community resources. The CHA shall identify a list of community health problems based on the assessment. Each identified problem shall be prioritized and described in the narrative. The CHA will include data analysis of those indicators listed in the Accreditation Self-Assessment Inventory, Benchmark 1, Activity 1.1. The CHA is due on the first Monday in March following the year of assessment. Refer to CHA tools at <https://publichealth.nc.gov/lhd/index.htm>
 - b) Community Health Improvement Plans (CHIPs) no later than six months after the completion of the comprehensive community health assessment (CHA). The CHIPs are due by the first Monday in September following the year of assessment.
 - 1) A CHIP is written for each of two prioritized health problems.
 - 2) One CHIP can be short term in nature (focus for 1-3 years), but the second CHIP must be long term (focus for 5-10 years).
 - 3) Each CHIP shall use best evidence interventions targeting health behaviors, the physical environment, social and economic factors, and/or clinical care.
 - 4) The long-term CHIP must utilize Healthy North Carolina 2030 (HNC 2030) indicators or other evidence-based health status indicators.
 - 5) The long-term CHIP shall include short-term and long-term interventions with a goal of improving population health indicators (morbidity and mortality).
 - 6) The long-term CHIP could potentially persist for several CHA cycles. With each CHA cycle, the CHIP must be updated to demonstrate that:
 - a. the health problem persists and continues to be a priority
 - b. the current interventions are effective, or that new interventions are needed, and
 - c. the interventions need to be expanded to a new target population.
 - 7) All CHIPs shall include a plan for staffing, training, implementation, monitoring, evaluating, and sustaining.
 - c) The LHD shall provide a state of the county or district health report (SOTCH) during each of the interim years between community assessments. The SOTCH shall include progress made on each CHIP evaluation measure. The SOTCH is due by the first Monday in March during the years a CHA is not submitted.
 - d) The LHD shall make requests for variances in submission of CHA, CHIPs, and SOTCH documents in writing in advance of the required date of submission. Emails may be sent to the Director, Community Health Assessment, State Center for Health Statistics cha.sotch@dhhs.nc.gov.

B. DPH RESPONSIBILITIES**a. Training, Consultation, and Support**

1. DPH shall provide training to the LHD for the LHD's response to this Agreement and to the Agreement Addenda. Upon request, consultation will be provided by DPH to the LHD.
2. DPH shall provide coordination and support for the education and training for the public health workforce, including developing training opportunities to achieve health equity, promote inclusion of all populations affected by health disparities (including racial/ethnic minority groups and persons with disabilities), and ensure all staff, clinical and non-clinical, have opportunities for training focused on health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity.
3. DPH shall conduct liaison activities with LHDs for general problem solving and technical support.
4. DPH shall provide high-level consultation, technical assistance, and advice to local health directors and teams via the Local and Community Support (LCS) Section. Contact the Deputy Director/Section Chief LCS. Broad content areas include, but are not limited to:
 - a) Board Relations
 - b) Management Teams and Staffing
 - c) Policy Development
 - d) Program Planning and Implementation
 - e) Quality and Performance Improvement
 - f) General Administrative Consultation, including consultation and technical assistance in budgeting, fiscal, administrative and management support topic areas.
5. DPH 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. Contact the specific section or branch head.
6. DPH shall provide course coordination, consultation, and technical assistance on nursing practice and standards, policies and procedures that cross programs via LCS: Local Technical Assistance and Training (LTAT) Branch. Contact the Chief Public Health Nurse/Branch Head LTAT.
7. DPH shall provide support and consultation to the public health workforce in LHDs, including regional public health consultants who offer technical assistance and training on professional development; program planning, program evaluation and quality assurance and data collection. Contact the Chief Public Health Nurse/Branch Head LTAT.

b. Performance

1. DPH 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 the LHD 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.

2. For services of the State Laboratory of Public Health (SLPH), DPH shall:
 - 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 SLPH only, when ordered via the SLPH's web-based mailroom ordering system;
 - b) Assure qualified personnel to process, analyze and report test results;
 - c) Assure that the SLPH maintains CLIA certification;
 - d) Submit invoices to the LHDs via electronic means;
 - e) Collect interest (per NCGS § 147-86.23 Interest and penalties) and a 10% late fee as appropriate; and
 - f) Provide a qualified Laboratory Director and a Technical Consultant for LHDs' laboratories participating in the North Carolina SLPH CLIA Contract Program. Services provided by the oversight of this personnel include training and continuing education, CLIA inspection assistance, proficiency testing and enrollment, competency assessment, and models for laboratory forms, procedures and policies.
3. DPH will provide support and training for the LHD to comply with all applicable laws, regulations, and standards relating to the activities covered in this Agreement.
4. DPH shall conduct reviews, audits, and program monitoring to determine compliance with the terms of this Agreement and its associated Agreement Addenda.

c. Data/Reporting

1. DPH shall provide automated data and surveillance systems, as available, to collect DPH program-related data from client, service, encounter and other data on behalf of the LHDs and other public health programs. DPH shall provide business and technical support for the automated system to the users of this system. DPH shall notify LHDs as opportunities and/or timelines for improved or emerging technology systems emerge.
 - a) LHD-Health Services Analysis: for automated reporting of clinical service data fields.
 - b) Environmental Health Inspection Data System-EHIDS (formerly NC BETS): for Food and Lodging inspection and billing data
 - c) Electronic surveys for gathering statewide data for external funders, as required
 - d) Aid-to-County System for reporting all local expenditures and claiming State funds
 - e) The North Carolina Health Alert Network (HAN)
 - f) North Carolina Electronic Disease Surveillance System (NCEDSS)
 - g) North Carolina Immunization Registry (NCIR)
 - h) Electronic Birth Registration System (EBRS)
 - i) Others may be added as developed.
2. DPH shall be responsible in its use of data received and reviewed in its various roles as a public health authority, health oversight agency, and business associate. Protected health information received by DPH in its capacity as a covered entity or business associate shall be protected as required by HIPAA (see Attachment B: Business Associate Addendum to this Consolidated Agreement).

3. DPH will coordinate with the NC Association of Local Health Directors to support data collection, analysis and publication.
- d. **Fund Availability and Notification** DPH shall provide to the LHD the Budgetary Estimates of Funding Allocations no later than February 14 of each year to use in preparation of their local budget proposals per current General Statute.
 1. An exception is the Food & Lodging distributions required by NCGS § 130A-248(d). DPH shall provide the Food & Lodging funding allocation on the Distribution Spreadsheet which will accompany the Activity 874 Food & Lodging Agreement Addendum.
 2. The Food & Lodging Local Health Department Request for Payment Form (DPH EH 2948) will accompany the Agreement Addendum for Activity 874 Food & Lodging and will be provided to the LHD no later than March 30 for the State Fiscal Year (SFY) in which payment will be made. DPH shall disperse Food & Lodging funds to the LHD upon receipt of the executed Agreement Addendum and the signed, completed, and approved Food & Lodging Local Health LHD Request for Payment Form.
 3. DPH shall provide a Funding Authorization document to the LHD after the receipt of the Certified State Budget.
 4. DPH shall make funds available to the LHD at the beginning of each fiscal year upon receipt of this executed Agreement, and the executed Agreement Addenda. Funds will be dispersed in accordance with the timely submissions of Expenditure Reports. Payment will be made to the LHD according to the DHHS Controller's Office Aid-to-Counties Expenditure Control Schedule issued December of each year for the following calendar year.

C. FUNDING STIPULATIONS

a. Use of Funds

1. Funding for this Agreement and all Agreement Addenda is subject to the availability of State, federal, and Special Funds for the purpose set forth in this Agreement and the Agreement Addenda.
2. During the period of this Agreement, the LHD shall not use State, federal or Special Project funds received under this Agreement or any Agreement Addenda to reduce locally appropriated funds as reflected in the Local Appropriations Budget (see Section D. Fiscal Control, Paragraph h. Local Appropriations Budget below).

b. Compliance

1. To receive funding under this Agreement, the LHD shall comply with 10A NCAC 46, Section .0200 Standards for Local Health Departments.
2. The LHD shall maintain authenticated 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 2 CFR Part 200) as well as provide the documentation of detailed labor cost per activity for preparation of Medicaid Cost Report.

3. LHD charges/billing. The LHD shall:
 - a) Establish one charge per clinical/support service for all payors (including Medicaid) based on their related costs as permitted by NCGS § 130A-39(g).
 - b) Bill All Payors the established charge except when billing 340B Drug Pricing Program drugs or devices to Medicaid. All drugs or devices purchased using 340B Program must be billed to Medicaid at the acquisition cost.
 - c) The LHD may accept negotiated or other agreed upon lower amounts (e.g., the Medicaid reimbursement rate) as payment in full.
 - d) Make every reasonable effort to collect charges for services 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.
 - e) All LHD fees, including environmental health fees shall be reviewed annually by the governing body in accordance with the North Carolina Local Health Department Accreditation Board guidance.
4. The LHD shall comply with the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”), codified at 2 CFR 200, when utilizing federal grant funds.
 - a) When procuring goods and services with federal grant funds, the LHD shall apply the most restrictive rule when following federal, State, and local government procurement requirements.
5. When administering the Women, Infants, and Children’s Program (WIC), the LHD 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 LHD 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.
6. The LHD agrees to execute the following consolidated Federal Certifications (Attachment C) as applicable when receiving federal funds:
 - a) Certification regarding Nondiscrimination
 - b) Certification regarding Drug-Free Workplace Requirements
 - c) Certification regarding Environmental Tobacco Smoke.
 - d) Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions
 - e) Certification regarding Lobbying.
7. Pursuant to the Federal Funding Accountability and Transparency Act (FFATA), the LHD is required to submit to DPH information that is reportable by DPH for all qualified sub-awardees of federal funds. The LHD will complete and submit the Federal Funding Accountability and Transparency Act (FFATA) Data Reporting Requirement form provided by DPH to determine the eligibility as a sub-awardee for reporting purposes. Information provided by the LHD will be used by DPH to report subawards (funding authorizations) equal to or greater than \$25,000 from each federal grant.

8. The LHD shall maintain an active registration in the federal government's System for Award Management (SAM). The SAM registration must be updated no less than annually in order to maintain an active status. To update the registration, the LHD must log in at the SAM home page, www.sam.gov, and follow the instructions found there.

c. Training Reimbursement

1. Subject to the availability of funds and approval of the Public Health Nursing and Professional Development Unit, the LHD may request reimbursement for:
 - a) Nursing service personnel participating in *Principles and Practices of Public Health Nursing* course. Reimbursement is \$400 per participant upon successful completion of the course. Reimbursement requests must be filed by the LHD to the Public Health Nursing and Professional Development Unit within the same fiscal year the course is completed.
 - b) LHD Management/Supervision level staff participating in the *Management and Supervision for Public Health Professionals* course. Reimbursement is \$600 per participant upon successful completion of the course. Reimbursement requests must be filed by the LHD to the Public Health Nursing and Professional Development Unit within the same fiscal year the course is completed.

The Training Reimbursement Form can be found at <https://publichealth.nc.gov/lhd/> under the Training Resources section or at <https://ncpublichealthnursing.org/continuing-education/>

2. Subject to the availability of funds and approval of the Environmental Health Section, the LHD may request reimbursement for Centralized Intern Training (CIT) and a one-time mileage allocation. Reimbursement requests must be filed by the LHD to the Environmental Health Section within the same fiscal year the training is completed. (Reimbursement Request Form DHHS 4125 *Centralized Intern Training Funds Reimbursement Request* is available at <https://ehs.ncpublichealth.com/oet/index.htm>)
 - a) For Interns attending CIT sessions, reimbursement amounts are based on the session attended:
 - 1) Food Protection & Facilities Track — \$280
 - 2) On-Site Water Protection Track — \$560
 - 3) Tier 2 General EH Module — \$280
 - b) For Cross-training Registered Environmental Health Specialists (REHS) attending CIT sessions, reimbursement amounts are based on the session attended:
 - 1) Food, Lodging, & Institutions— \$170
 - 2) Child Care & School Sanitation— \$62
 - 3) On-site Water Protection— \$450
 - 4) Private Drinking Water Wells— \$62
 - 5) Public Swimming Pools— \$62
 - 6) Tattoo— \$62
 - c) A one-time mileage allocation per two REHSs from the same county per training session is based on one of the four geographical areas they are employed. Reimbursement requires

successful completion of the course and requests must be filed by the LHD within 60 days course completion.

- 1) Area 1 — \$57: Alamance, Caswell, Chatham, Cumberland, Duplin, Durham, Edgecombe, Franklin, Granville, Greene, Guilford, Halifax, Harnett, Hoke, Johnston, Lee, Lenoir, Montgomery, Moore, Nash, Orange, Person, Randolph, Sampson, Vance, Wake, Warren, Wayne, Wilson.
- 2) Area 2 — \$170: Alexander, Alleghany, Anson, Ashe, Beaufort, Bertie, Bladen, Brunswick, Cabarrus, Camden, Carteret, Catawba, Chowan, Columbus, Craven, Currituck, Dare, Davidson, Davie, Forsyth, Gaston, Gates, Hertford, Hyde, Iredell, Jones, Lincoln, Martin, Mecklenburg, New Hanover, North Hampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Richmond, Robeson, Rockingham, Rowan, Scotland, Stanly, Stokes, Surry, Tyrrell, Union, Washington, Watauga, Wilkes, Yadkin.
- 3) Area 3 — \$283: Avery, Buncombe, Burke, Caldwell, Cleveland, Haywood, Henderson, Jackson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Yancey.
- 4) Area 4 — \$396: Cherokee, Clay, Graham, Macon, Swain.

d. Purchases

1. Equipment is a type of fixed asset consisting of specific items of property that: (1) is tangible in nature; (2) has a life longer than one year; and (3) has a significant value.

a) For Inventory Purposes

- 1) Equipment must be accounted for in accordance with the North Carolina Department of State Treasurer's *Policy Manual for Local Government, Chapter 20, Capital Assets*.
- 2) All equipment with an acquisition cost of \$500 or more which was purchased with Women, Infants and Children (WIC) Program Funds, prior to January 1, 2018 will be inventoried with the Women's and Children's Health Section. The Local Agency is responsible for assigning a fixed asset number and applying a fixed asset tag to equipment purchased by the Local Agency, using WIC funds, after January 1, 2018. Within 60 days of the purchase, the Local Agency will provide to the Nutrition Services Branch a written report of the purchase, including a description of the item purchased, serial number, fixed asset tag number, and a copy of the bill of sale.

b) For Prior Approval Purposes

- 1) Except for WIC, all equipment purchased or leased with an acquisition cost exceeding \$2,500, where there is an option to purchase with State/federal funds, the purchase or lease must receive prior written approval from the appropriate Section and Branch within DPH. [See Subparagraph 2 below for WIC requirements.] For those purchased with Public Health Preparedness & Response Branch funds only, any purchase exceeding \$2,500 per invoice shall be treated as a single purchase for prior approval purposes. [For example, on one invoice, the LHD purchases a computer, monitor, and printer totaling more than \$2,500, or purchases six computers at \$500 each.]
- 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 must

receive prior approval. Computer accessories, such as keyboards and monitors, do not require approval.

c) For Accounting Purposes

1) The LHD must utilize the depreciation schedule provided by the State for all assets with an acquisition cost of \$5,000 or greater. The accumulated depreciation shall be recorded in the general fixed assets account group.

2. Prior approval required for purchases other than equipment:

a) For Public Health Preparedness & Response Branch funds, purchases for meals and refreshments must receive prior written approval from the PHP&R Branch.

b) 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.

D. FISCAL CONTROL

a. The LHD shall comply with the Local Government Budget and Fiscal Control Act, North Carolina General Statute Chapter 159, Article 3.

1. The LHD 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 LHD shall execute written agreements with all parties who invoice the LHD 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 LHD, when subcontracting, must meet the following conditions:

1. The LHD is not relieved of any of the duties and responsibilities provided in this Agreement.

2. The LHD will not enter into a subcontractual financial assistance agreement with any entity on the North Carolina Office of State Budget and Management (OSBM) "Suspension of Funding" list (SOFL) and shall withhold funds not yet disbursed until the entity has been removed from the SOFL. SOFLs are available on the OSBM website (<https://www.osbm.nc.gov/management/grants>).

3. The subcontractor will agree to abide by the standards contained herein or to provide such information as to allow the LHD to comply with these standards.

4. The subcontractor shall be subject to all conditions of this contract and of any subsequent Agreement Addenda for which they perform work on behalf of the LHD.

5. The subcontractor will agree to allow State and federal authorized representatives' access to any records pertinent to its role as a subcontractor of the LHD.

6. Upon request, the LHD will make available to the State a copy of subcontracts supported with State or federal funds.

d. The LHD must receive prior written approval from the State to subcontract when any of the following conditions exist:

1. The LHD proposes to subcontract to a single entity 50 percent or more of the total State and federal funds made available through this Agreement.

2. The LHD proposes to subcontract 50 percent or more, or \$50,000, whichever is greater, of the total State and federal funds made available through this Agreement for any Agreement Addendum.

3. The LHD proposes to subcontract for services in the Women, Infants and Children (WIC) Program.
- e. The LHD shall mail a signed copy of all public health Funding Authorization documents to the DPH Budget Office, 1931 Mail Service Center, Raleigh, NC 27699-1931.
- f. The LHD shall retain a copy of all Funding Authorization documents, the monthly certified electronic printed screen of the Expenditure Reports with any amendments (via the Aid-to-Counties Database), Consolidated Agreement, Agreement Addenda, Agreement Addendum Revisions and other financial records in accordance with the current Records Disposition Schedule for Local Health Departments issued by the North Carolina Department of Natural and Cultural Resources and located on their website at: <https://archives.ncdcr.gov/documents/local-health-departments-schedule>
- g. **Audits/Monitoring:** The county or the LHD shall have an annual audit performed in accordance with the Single Audit Act of 1984 (with amendment in 1996) and 2 CFR Part 200. The audit report shall be submitted to the Local Government Commission (LGC) by the County Administration (if single county LHD) or the District Health Department or Public Health Authority (if so organized) within six months following the close of the Agreement. Audit findings referred to the DHHS Internal Audit Office by LGC will be investigated and findings verified by the DHHS Controller's Office staff with assistance of DPH Program Staff.
- h. **Local Appropriations Budget:** The LHD shall prepare and maintain a Local Appropriations Budget (reflecting the plans to use local appropriations or earned fees) for each Agreement Addendum in a manner consistent with instructions provided in funding-specific budgetary guidance from DPH and the specific guidance from the respective programs.
- i. **Local Earned Revenues Budgeting and Reporting:** The LHD shall observe the following conditions when budgeting and reporting Local Earned Revenues:
 1. Locally appropriated funds may not be withdrawn due to fee collection greater than projected in the budget or due to new grant funding except during the last two months of the fiscal year to allow the county to manage end of year budget close out.
 2. All earned revenue (officially classified as local funds) must be budgeted and spent in the program that earned it except:
 - a) Revenue generated by Women's and Children's Health (WCH) Section Programs may be budgeted and expended (consequently reported) in any WCH Section Program, unless a specific Agreement Addendum has a more restrictive requirement.
 - b) Revenue generated by a local clinic or program that has no State-funded budget (no State or federal funds) shall 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.
 3. The LHD shall not use personal health program funds to support environmental health programs nor use environmental health program funds to support personal health programs.
 4. Use of program income generated by the expenditure of federal categorical funds will be governed by applicable federal regulations, including, but not limited to, 2 CFR Part 200.
 5. 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.

6. The amount of Title XIX fees budgeted and expended in FY 2020-2021 must equal or exceed the amount of Title XIX revenues earned during FY 2018-2019. 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 LHD provides sufficient justification.

j. **Aid-to-Counties Database and Expenditure Reports:** The LHD shall submit a monthly report of actual State, federal and local expenditures to the DHHS Controller's Office via the Aid-to-Counties Database (ATC).

1. Specific ATC instructions and training will be provided by LTAT to LHDs and will include guidance for reporting local programs, examples include but are not limited to: Dental Clinic and Primary Care.
2. DPH shall produce an annual ATC report in order to provide information reported that summarize LHD and statewide analysis and trending, including per-capita analysis, when applicable. This report will be produced in collaboration with NCALHD and will be posted publicly on the DPH website.
3. The LHD shall submit to the DHHS Controller's Office a monthly Expenditure Report of the pertinent month's actual expenditures for all programs via ATC. The Office of the Controller's Aid-to-Counties Expenditure Control Schedule, published annually in December for the next calendar year, provides the submission dates for these expenditures. This schedule allows the LHD at least seven days to enter the pertinent month's expenditures into the Aid-to-Counties Database. Failure to meet the reporting deadline will result in the exclusion of those expenditures for that month. The LHD must submit these monthly Expenditure Reports via the Aid-to-Counties Database consecutively throughout the Agreement period.

The health director and the finance officer will approve the monthly Expenditure Report in the Aid-to-Counties Database 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. 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.

4. The final Expenditure Report for the SFY, the last service month to be paid in the SFY, will be May services which are reported and paid in June. (Services provided in June and reported in July will be paid out of the next SFY.)
5. When Agreement Addenda are supported by federal funding or grants that do not coincide with the State fiscal year, care must be taken to be attentive to the service month and payment months for each grant as well as the ending liquidation date for each grant. Expenditures of federal funds must be reported according to the funding period for a grant. For each grant, the Budgetary Estimate document and the Funding Authorization document will have service and payment month dates listed. Failure to report expenditures after the payment period ends may result in non-payment.
6. The LHD shall have the opportunity to submit amended expenditure reports in the month following discovery of the error. The LHD shall not wait to submit all adjustments with the invoice submitted to the Office of the Controller 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.

- a) In accordance with Paragraph D.j.4 above, the LHD must keep current on reporting adjustments against federal funds to ensure such adjustments are received in time to be paid within the grant's payment period.
- b) The LHD shall review their prior reimbursement claims against payments monthly.
- c) Amended expenditure reports must be submitted no later than the next reporting date after the grant period ends in order to be paid unless an exception is approved by the DPH Budget Office.
- d) Any overpayments identified by either the State or the LHD will be adjusted out of the next month's claim for reimbursement by the DHHS Controller's Office or by submitting a check to DHHS for payment if it is the last month of the fiscal year or the federal grant is closed. There is no provision to carry forward funds from one State Fiscal Year to another; therefore, any adjustment not included in the June payment (or earlier if the grant period expires during the State Fiscal Year) shall be paid from local funds.

E. PERSONNEL POLICIES

- a. The LHD shall adhere to and fully comply with State and county personnel policies as applicable.
- b. Environmental Health Specialists employed by the LHD shall be delegated authority by the State to administer and enforce State environmental health rules and laws as directed by the State pursuant to NCGS § 130A-4 Administration. This delegation shall be done according to 15A NCAC 01O .0101 Scope of Delegated Authority.
 1. The LHD is responsible for sending their newly employed environmental health specialists (interns) to centralized intern training within 180 days from date of employment.
 2. Arrangements for centralized intern training for newly employed environmental health specialists will be handled by the DPH Education and Training Staff.
 3. The LHD, when contracting with an environmental health specialist (EHS) employed by another entity, shall be responsible for ensuring that all original documents/public records (e.g., permits, inspection reports, correspondence) generated by the contracted EHS be maintained by the LHD. All contracts covering this work shall stipulate that the contracted EHS shall be available for consultation with the public concerning work performed under the contract.
- c. The LHD shall comply with 10A NCAC 46 .0301 Minimum Standard Health Department Staffing and shall ensure that all nursing staff who provide public health services funded by this Agreement comply with this rule.
- d. The LHD shall complete the State Certifications (Attachment D) regarding its compliance with E-Verify, its eligibility status as a contractor, and that its officers have not violated any State or federal Securities Acts.

F. CONFIDENTIALITY

- a. The LHD shall protect the confidentiality of all information, data, instruments, documents, studies, or reports received under this agreement in accordance with the standards of the DHHS privacy and security policies, applicable local laws, State regulations, and federal regulations including: the Privacy Rule at 45 C.F.R. Parts 160 and 164, subparts A and E, Security Standards at 45 C.F.R. Parts 160, 162 and 164, subparts A and C ("the Security Rule"), and the applicable provisions of the Health Information Technology for Economic and Clinical Health Act (HITECH).

- b. All information obtained by LHD personnel in connection with the provision of services or other activity under this Agreement shall be confidential, except as may be required or allowed by law or otherwise permitted by this agreement. Information may be disclosed in summary, statistical, or other form which does not directly or indirectly identify particular individuals. Otherwise, information shall not be disclosed or made available to any individual or organization without the prior written consent of the client or responsible person, except as may be required or allowed by law or otherwise permitted by this agreement.
- c. LHD employees must sign confidentiality agreements documenting the knowledge of, and the agreement to maintain personal and medical confidentiality.

G. CIVIL RIGHTS

- a. The LHD shall assure that no person, on the grounds of race, color, age, religion, sex, marital status, immigration status, national origin, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity covered by this Agreement.
- b. 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 LHD 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.
- c. As required by Title VI of the Civil Rights Act, the LHD, because it receives federal funds, must provide interpreter services at no charge to Limited English Proficiency clients in all programs and services offered by the LHD.

H. LHD DISBURSEMENT OF FUNDS

- a. DPH shall disburse funds to the LHD on a monthly basis; monthly disbursements for each program activity will be based on monthly expenditures reported.
- b. Total payment by program Activity is limited to the total amount listed on the Funding Authorization document and any Funding Authorization revision documents received after the initial notification.
- c. Final payments for the State Fiscal Year will be made based on the final monthly Expenditure Report which is due as delineated per the Controller's Office's Aid-to-Counties Payment Schedule.

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

- a. Either party may terminate this Agreement for reasons other than non-compliance upon 60 days written notice. If termination occurs, the LHD shall receive payment only for allowable expenditures.
- b. In the event of termination, DPH may withhold payment to the LHD until DPH can determine whether the LHD is entitled to further payment or whether DPH is entitled to a refund.

K. COMPLIANCE

- a. DPH shall respond to non-compliance with all terms of this Agreement as follows:
 - 1. Upon determination of non-compliance, DPH shall give the LHD 60 days written notice to come into compliance. If the deficiency is corrected, the LHD shall submit a written report to DPH that sets forth the corrective action taken.
 - 2. If the above deficiency is not corrected to the satisfaction of DPH after the 60-day period, disbursement of funds for the particular activity may be temporarily suspended pending negotiation of a plan of corrective action.
 - 3. If the deficiency is not corrected to the satisfaction of DPH within 90 days of the written notice in Section K.a.1, program funds may be permanently suspended until the LHD can provide evidence that the deficiency has been corrected.
 - 4. In the event of the LHD’s non-compliance with clauses of this Agreement, DPH may cancel, terminate, or suspend this Agreement in whole or in part and the LHD may be declared ineligible for further DPH contracts or agreements. Such terminations for non-compliance shall not occur until the provisions of Section K.a.1 through K.a.3 have been followed, documented, and have failed to correct the deficiency.
- b. Monitoring – “Omni-Circular” 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F Audit Requirements 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 related monitoring requirements for State funds received by subrecipients in NCGS § 143C-6-23 State grant funds: administration; oversight and reporting requirements. Also, DPH must perform monitoring as required in the DHHS Policy and Procedure Manual entitled *Monitoring of Programs* dated August 1, 2002 and its DPH Subrecipient Monitoring Plan dated October 2016.

Additionally, the LHD is required under 2 CFR, Part 200 Subpart F, NCGS § 143C-6-23, and NCGS § 159-34 Annual independent audit; rules and regulations, to perform monitoring of its subrecipients and to maintain records to support such monitoring activities and results. Accordingly, the LHD shall participate fully in monitoring by DPH and shall appropriately monitor its sub-recipients to the extent necessary based on the assessed level of risk.

In witness whereof, the **LHD** and the **Division of Public Health** have executed this Amendment in duplicate originals, one of which is to be retained by each of the parties.

Henderson County Department of Public Health

North Carolina Department of Health and Human Services, Division of Public Health

Health or Human Services Director Date

Division Director Date

Finance Officer Date

County Official Date
(when locally required)