

**Clallam County**

**Health & Human Services  
Developmental Disabilities**



**Request for Qualifications  
Procedure & Application**

**Individual Employment and  
Community Inclusion Services  
for  
Individuals with Developmental Disabilities**

**Updated: July 23, 2019  
Released: August 19, 2019  
Due: ongoing until cancelled**

**NOTICE OF REQUEST FOR QUALIFICATIONS  
Employment and Community Inclusion Services**

The Clallam County Department of Health & Human Services is inviting interested applicants capable of providing individual employment and community inclusion services to individuals with developmental disabilities to apply.

The attached package includes general information, instructions required for submittal, and responsibilities of selected agencies

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## GENERAL INFORMATION

### A. Clallam County Developmental Disabilities Advisory Committee's Mission Statement

Work to enhance inclusive choices for individuals with developmental disabilities,

Communicate with and make recommendations to the Board of County Commissioners, and

To achieve full integration, inclusion, equality and acceptance of individuals with developmental disabilities leading to productive participation in the community.

### B. Background

In the last 30 years, we have learned that supported employment services can offer excellent opportunities for individuals with developmental disabilities and other community members to share common experiences and activities. Clallam County Department of Health & Human Services, Developmental Disabilities Section, contracts with employment agencies to find and maintain community-based jobs for individuals with developmental disabilities. As a service system, we need to continue to improve the quality of employment services, increase options and choices, and offer supports that bring about inclusion, independence and pathways out of poverty for all people with developmental disabilities.

Two important and guiding documents for these endeavors are:

- the County Guidelines of July 1992 and
- the Washington State's Division of Developmental Disabilities (DDD) Policy 4.11 County Services for Working Age Adults.

These documents express an expectation of employment with supports based on individual need and offered in ways that foster and promote choice, independence, productivity, financial security, benefits, and opportunities for advancements for all working people served by our system who are between 21 to 61 years of age. The referenced documents are available at:

<https://www.dshs.wa.gov/dda/county-best-practices>

In addition to our state and county policies and guidelines, there is an effort on the part of the federal government to fund and support services that are individualized and have a measurable pathway to paid employment.

### C. The Requirement for Choice of Providers

The Federal Center for Medicaid and Medicare Services (CMS) requires that individuals receiving employment services have a choice among qualified providers. Under Medicaid rules and regulations, CMS states that qualifying and accepting new providers is an ongoing process and that all providers meet stipulated qualifications.

Therefore, CCDHHS has an RFQ that is open on an “ongoing” basis for any new organization who is seeking approval for provision of employment services for eligible adults with developmental disabilities. In order to contract with Clallam County, an agency must respond to the RFQ. This RFQ is a solicitation for qualifications and is not an offer, is not a guarantee, nor is it a promise that the solicited qualifications will result in services to be contracted by Clallam County.

## II. APPLICATION PREPARATION

### A. Application Guidelines

1. New applications may be submitted at any time within a given fiscal year but only once during this time. If a provider does not meet the qualifications as determined by the Qualification Evaluation Committee (QEC), a new application may not be submitted until the following fiscal year (July 1-June 30).
2. Current providers may apply to add new services at any time but may do so only once per fiscal year.
3. Clallam County is a small rural county with a relatively stable client base. A small number of new clients enter service each year and a similar number exit services. In the interest of client protection and stability of services, the County desires any agency wishing to provide services to make a long-term commitment to providing these services. It is expected that all agencies new to providing services within Clallam County will demonstrate prior to being approved for services, the ability to financially support the proposed services for a minimum of one year.

## B. Application Content Requirements

1. Applications shall contain all required attachments and information and be submitted to CCDHHS no later than the date and in the manner specified for receipt.
2. The application (Attachment A and C) shall contain the following items:
  - a. RFQ Cover Sheet
  - b. Business Qualifications for Employment Services
  - c. Program Qualifications for Employment Services
  - d. Assurance of Compliance with Civil Rights Act of 1964
  - e. Assurance of Compliance with Section 504 of Rehabilitation Act of 1973
  - f. Certification Regarding Debarment
  - g. Certification Regarding Lobbying
3. One original and eight paper copies (a total of nine) of the application and attachments shall be submitted to the address identified in Attachment A. In addition, an electronic copy shall be submitted to the e-mail address identified in Attachment A.

Electronic copies of applications and attachments that cannot be read on County equipment will not be considered.

Applications and attachments which do not contain the prescribed number of copies will be deemed unacceptable and will not be considered.

4. All submittals must be formatted to be read by:
  - *Microsoft Windows 7, SP1, 64-bit*
  - *Microsoft Office 2010, Pro Plus*
  - *Adobe Acrobat Reader DC 2015.009.20069 or XI*
  - *Microsoft Internet Explorer 10*

## C. Application Signature

The RFQ Cover Sheet shall be signed by an authorized representative of the agency.

## D. Cost of Applications

1. There are no start-up funds available to any agency.
2. CCDHHS will not reimburse for any costs associated with preparing and/or presenting this application. All costs are the sole responsibility of the agency.

#### E. Unacceptable Applications

1. CCDHHS reserves the right to reject any application for any reason including, but not limited to:
  - a. Applications which are incomplete, obscure, irregular or lacking necessary detail and specificity;
  - b. Any application that contains incorrect, misleading, or false information;
  - c. Any application from an agency that (in the sole judgment of CCDHHS) lacks the minimum qualifications or responsibility necessary to perform the contracted work or meet the requirements for contracting with the County.
  - d. An application that cannot be read on County equipment (see II.A.4).
2. In consideration for the CCDHHS's review and evaluation of its application, the agency waives and releases any claims against the county arising from any rejection of any or all applications.

#### F. Late Applications

Applications and any modifications of applications, received at CCDHHS after the original submission will not be considered.

#### G. Cancellation of RFQ or Postponement of RFQ Opening

CCDHHS reserves the right to cancel this RFQ at any time. CCDHHS may change the date and time for submitting applications prior to the date and time established for submittal.

#### H. Public Disclosure

Proposals and other materials submitted in response to this request become the property of Clallam County, are **public record** and will not be returned. It is understood and agreed that applicants claim no proprietary rights to the ideas or approaches contained in their proposals.

#### I. Questions and Interpretation of the RFQ

No oral interpretations of the RFQ will be made to any applicant. All questions and any explanations must be requested in writing and answers will be provided in writing to all current applicants. Any information modifying the RFQ will be furnished to all applicants by addendum.

J. Addendum

In the event it becomes necessary to revise any part of this RFQ, an addendum shall be created and posted at the CCDHHS website at:

<http://www.clallam.net/HHS/HumanServices/DevelopmentalDisabilities.html>

If desired, a hard copy of any addendum may be provided upon request. It is the applicant's responsibility to check the website periodically for any addendums.

K. Schedule (dates may be tentative and subject to change)

Applications may be submitted at any time throughout a fiscal year. However, any applicants submitting a Request for Qualifications (RFQ) after March 31<sup>st</sup> of any fiscal year should understand that it would be highly unlikely that any contract would be processed until the following fiscal year due to legal and processing time requirements.

### III. APPLICATION EVALUATION AND SELECTION

A. Application Evaluation

CCDHHS will evaluate applications using the minimum criteria as set forth in this RFQ. CCDHHS may request additional business and administrative information to determine the agency's ability to meet the terms and condition of the RFQ.

#### **QUALIFICATION EVALUATION COMMITTEE**

A Qualification Evaluation Committee (QEC) will be convened to review and evaluate eligible proposals and make recommendations to the Clallam County Developmental Disabilities Advisory Board. The QEC will consist of persons who are knowledgeable of the specific professional service requirements. The meeting will not be open to the public; however, applicants should be prepared to meet with the QEC at a prearranged time on the date that the QEC is evaluating proposals.

#### **QUALIFICATION EVALUATION CRITERIA**

Qualification evaluations will be based on the response to this RFQ. In evaluating each qualification, the County also reserves the right to consider past relevant contracting performance with other governmental and/or non-governmental entities, including those outside of Washington State.

#### **EVALUATION PROCESS**

The QEC members comprised of DD Advisory Board members, DSHS, DDA staff, community members and CCHHSDD staff will first independently evaluate and rate each qualification. They will then convene as a group to interview the applicant regarding the content of their application, and may request that

applicant provide clarification or additional information. Following the interview, the QEC will discuss the qualifications and perform any necessary review or verification of the content of the application. Based on the content of the qualifications, the qualification interview, and performance reviews, the QEC will score the qualifications to provide the required services. County staff will submit the QEC recommendations to the Clallam County Developmental Disabilities Advisory Board.

The Clallam County Developmental Disabilities Advisory Board recommendations will be used by Clallam County DD staff who will forward proposed contracts to the Clallam County Board of Commissioners for approval.

**Contracts may be awarded to applicants who have submitted the most advantageous qualifications to the County.**

### **UNACCEPTABLE QUALIFICATIONS**

The QEC will also determine which qualification responses do not meet the requirements of this solicitation. Unacceptable qualifications are those which meet at least one of the following criteria:

1. Applicant does not address the essential requirements of the RFQ.
2. Applicant clearly demonstrates that he or she does not understand the requirements of the RFQ.
3. Application is clearly deficient in approach.
4. Applicant and/or applicant's organization has a history of providing poor services or has insufficient experience providing services to meet the standards specified in this RFQ.
5. Application does not contain an original and the prescribed number of copies.
6. Applicant does not possess a current accreditation from the Commission on Accreditation of Rehabilitation Facilities (CARF) **or** cannot otherwise demonstrate that the agency is actively engaged in the process of obtaining such accreditation (e.g., that the applicant has submitted an Intent to Survey, and has scheduled a survey date with CARF). If the agency is in the process of CARF accreditation, CARF accreditation must occur within the first program year to continue to meet qualification status.
7. Failure to submit required budget documents.
8. Failure to score a minimum of 75% in each evaluated area.

### **CONTRACT AWARD - NOTIFICATION TO SELECTED APPLICANT(S)**

The authority to enter into a contract rests with the Clallam County Board of Commissioners, except as designated.

## B. Onsite Visits

When deemed advisable, and before any new contract is awarded, CCDHHS reserves the right to arrange an onsite, pre-award review to determine the agency's ability to meet the terms and conditions of the RFQ.

## C. Additional Contract Terms and Conditions

CCDHHS may introduce stipulations, additional terms and/or conditions as deemed necessary prior to the actual awarding of a contract.

## D. Issuance of Contracts

Determination that an agency is successful in meeting the minimum requirements of this RFQ does not constitute a commitment by CCDHHS to contract with the successful agency.

## E. Right to Appeal

Non-selected applicants have the right to appeal the decision of the County, limited to procedural or legal errors in the selection process. In the event that no such procedural or legal errors are found to have occurred, the decision of the County shall be final.

An aggrieved applicant may, within five (5) working days after the award of a contract, appeal in writing to the Director of the Clallam County Health and Human Services. The appeal must state all facts and arguments upon which the appeal is based. The Director will review the RFQ and the facts alleged as grounds for the appeal. The Director will render a written decision within thirty (30) working days of the receipt of the appeal.

## IV. CONTRACTED AGENCY REQUIREMENTS

### A. Clallam County Contract Requirements

The agency shall be able to meet all requirements in the Clallam County Program Agreement Contract, including General Terms and Conditions and Special Terms and Conditions. Further, the agency shall be prepared to bill for services in accordance with the DDA Billing Instructions available on the Washington State DDA website at:

<https://www.dshs.wa.gov/dda/county-best-practices>

A sample Program Agreement and contract exhibits for Employment Services is provided to inform applicants about the terms and conditions required by Clallam

County. (Attachment B). If an agency is not able to currently meet all contractual requirements their application will be rejected and that agency will be required to wait until the next fiscal year to re-apply.

**B. Insurance Requirements**

The agency shall, prior to entering into a contract with CCDHHS, meet full insurance coverage requirements as outlined in the Program Agreement. Requests for waivers for insurance requirements or reduction in limits will not be considered by CCDHHS and will disqualify the agency's application.

**C. Site Review and Desk Audit for Newly Contracted Agencies**

Newly contracted agencies shall submit to a desk audit and site review conducted by CCDHHS a minimum of one time during the first year of contracting.



V. RFQ APPLICATION

A. COVER PAGE

## REQUEST FOR QUALIFICATIONS

Clallam County  
Health & Human Services  
Developmental Disabilities

**DATE RELEASED:** August 19, 2019

**RFQ Title: Employment and Community Inclusion Services for  
Persons with Developmental Disabilities**

**Applications must be submitted in their entirety. There shall be no exceptions to this requirement.**

**SUBMIT COMPLETED APPLICATIONS TO:**

1. One Original and eight copies (total of nine documents) to:

Clallam County Department of HHS  
Developmental Disabilities  
111 East 3rd Street  
Port Angeles, WA 98362

**AND**

2. Electronic copy to:

Phone: (360) 417-2407

## B. SIGNATURE PAGE

**CLALLAM COUNTY  
HEALTH & HUMAN SERVICES  
DEVELOPMENTAL DISABILITIES**

**Request for Qualifications:  
EMPLOYMENT and COMMUNITY INCLUSION SERVICES  
FOR INDIVIDUALS  
with  
DEVELOPMENTAL DISABILITIES**

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**APPLICANTS MUST COMPLETE AND SIGN FORM BELOW**

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Agency/Organization Name:

Address:

City, State and Zip Code

Authorized Representative:

Title:

E-mail:

Phone:

Fax:

The applicant(s) have read, can and will comply with the terms and conditions of the Clallam County Program Agreement, including insurance requirements.

Yes  No

The applicant(s) certifies to the administrative and fiscal management capability and stability of the agency/organization to provide the services in accordance with the RFQ for a minimum of one year.

Yes  No

Applicant Signature:

Applicant Name & Title:

Date:

## C. BUSINESS QUALIFICATIONS FOR EMPLOYMENT SERVICES

The agency must be able to meet the qualifications listed below. The CCDHHS reserves the right to review all documentation and verify information provided in this section.

### 1. Agencies MUST complete all items.

#### I. Type of Agency

The agency is a legal entity eligible to conduct business in Washington State and has fulfilled all necessary requirements.

Yes       No

#### II. Fiscal Accountability

A. The agency maintains accounting procedures and control operations in accordance with general accepted accounting procedures.

Yes       No

B. The agency has a monitoring procedure in place to ensure expenditures do not exceed available authorized funding for clients served.

Yes       No

#### III. Insurance

Proof of insurance compliance is required of all contractors. Minimum insurance liability coverage standards shall be at the applicant's expense.

Prospective providers must show evidence of a certificate of commercial and professional liability for a minimum of:

A.  Commercial and Professional Liability for a minimum of \$ 500,000 each person, personal injury, including death

B.  Commercial and Professional Liability for a minimum of \$1,000,000 each occurrence, personal injury, including death

C.  Commercial and Professional Liability for a minimum of \$250,000 each occurrence, property damage liability

D.  Commercial and Professional Liability for a minimum of \$2,000,000 aggregate

E.  Errors and Omissions for a minimum of \$1,000,000 per occurrence

- F.  Errors and Omissions for a minimum of \$2,000,000 aggregate
- G.  Workers' Compensation: Statutory requirements of the Washington State.
- H.  Insurance acknowledgement that clients may be transported under said policy.

#### **IV. Accreditation**

CCDHHS is requiring that all agencies with a CCDHHS employment contract have a nationally or regionally recognized accreditation to deliver employment support services. Please check all that apply:

- A.  Commission on Accreditation of Rehabilitation Facilities (CARF Accreditation)
- B.  Other nationally or regionally recognized certification or accreditation  
(Please supply name of accreditation organization)
- C.  No current accreditation. In the absence of meeting this requirement, the agency shall be allowed up to six months to demonstrate compliance with this requirement by submitting a written statement to CCDHHS certifying contact has been made with an accreditation entity. The statement shall include the name, address, and phone number of the accreditation organization, the contact person, and the status of process including the scheduled survey date. The grace period in no way replaces the requirements for demonstration of a history of delivering services listed in the Program Qualifications for Employment Services section.

#### **V. Division of Vocational Rehabilitation (DVR) Agreement**

CCDHHS desires that all agencies with a CCDHHS employment contract have a current DSHS/ DVR Community Rehabilitation Program contract or other DVR agreement.

- A.  Yes
- B.  No

If an agency does not currently have a contract with DVR, you will be required to postpone applying until this contract is in place.

## VI. Service Delivery Area

Please check all areas that the agency currently serves or plans on serving.

- Sequim/East End of Clallam County
- Port Angeles/Central Area of Clallam County
- Forks/Seki/Clallam Bay/Neah Bay/ West End of County
- All of Clallam County
- Other (please specify):

## VII. Assurances

Please check each Assurance of Compliance from Attachment C and sign and include in your application.

**NEW AGENCIES:** Please also provide:

1. Documentation of Organizational Structure, operating documents, licenses.
2. Current organizational By Laws
3. Training and Experience (Resumes) of all Managerial Staff/Principals and their titles and job descriptions.
4. Documentation of background checks on all employees.
5. Outline of Fiscal Condition with emphasis on capability to maintain services during the first year of service in Clallam County. (Recent audit or audited financials).
6. A copy of your accounting policies and procedures manual.

## D. PROGRAM QUALIFICATIONS FOR EMPLOYMENT SERVICES

The agency shall meet all program qualifications listed below. CCDHHS reserves the right to review all documentation and verification that demonstrates these qualifications. CCDHHS may require a site visit, interviews with administrators, staff, participants, family members of participants, employers, educators, and State DVR or DDA staff that have worked with the agency. CCDHHS may also view: documents; policies; procedures; participant satisfaction surveys; grievance and incident reports; staff training records; billing records; participant termination records; participant and staff orientation documents; individual participant plans and files; staff background checks; evidence of Department of Labor (DOL) compliance; verification of participant employment; wages and hours; and placement records that substantiate timely outcomes in a paid employment setting. CCDHHS may also require lists or letters of references or support from

individual participants, family members, employers or others in a relationship with the agency.

**Directions:**

Check all the boxes for each category that the agency requests qualified provider status with CCDHHS and answer the questions following that category regarding agency history and experience.

1. Current CCDHHS contracted agencies can limit their responses to checking the desired categories below.
2. Agencies that do not have a current CCDHHS employment/day services contract shall submit a narrative response for each category checked below. Agencies that have a current CCDHHS employment/day services contract and wish to provide additional services that are not currently contracted for (i.e. Current contract is only for Individual Supported Employment services and agency wishes to also provide Community Inclusion services) shall submit a narrative response for each additional category. **PLEASE NOTE:** Any agency wishing to provide Community Inclusion Services must also provide Individual Supported Employment.
  - a. The narrative response for all sections (I, II, III and IV) is limited to three pages or less.
  - b. The narrative should provide concise but complete and detailed description of the agency's ability to meet the requirements.

I.  **Community Inclusion (formerly Community Access)**

**Definition:**

Community Inclusion is an individualized service that provides individuals with opportunities to engage in community based activities that support socialization, education, recreation and personal development for the purpose of: building and strengthening relationships with others in the local community who are not paid to be with the person and learning, practicing and applying skills that promote greater independence and inclusion in their community.

Community Inclusion is available to individuals 62 years and older. It is also available to individuals who have participated in nine months of Employment services and choose Community Inclusion services instead of continuing in Employment services. It is available for those individuals on the Basic Plus and Core Waivers and individuals in Skilled Nursing Facilities (PASRR).

To be considered for qualified provider status for Community Inclusion services the agency must answer the questions below:

A. The agency has a two year history of providing Community Inclusion services for individuals with significant developmental disabilities

Yes

No

B. The agency has successfully supported at least five individuals with significant developmental disabilities, in Community Inclusion services

Yes

No

II.  **Individual Supported Employment (ISE)**

**Definition:** ISE services are a part of an individual's pathway to employment. These are placement and follow-up services necessary to help persons with developmental disabilities obtain and continue integrated, living wage employment in the community, in business, or industry. This service may include creating work opportunities through job development, support to the employee's supervisors and/or peer workers to enable them to support the person on the job, on-the-job training, and modification of work site or tasks.

Community-based businesses are defined as businesses that pay minimum wage or better and do not participate in sub-minimum wage certificates issued by United States Department of Labor.

Success is defined as participants with developmental disabilities obtaining and retaining for one year or more, paid employment at minimum wage or better with the wages paid by the community-based business.

To be considered for qualified provider status for IE, the agency must answer the questions below:

A. The agency has and can document, at least a two-year history of delivering successful community-based, supported, and/or customized employment for at least five individuals with developmental disabilities.

Yes

No

B. The agency has at least a two-year history that demonstrates their success with employers in developing and supporting employment for individuals with developmental disabilities.

Yes

No

### III. **Individual Technical Assistance (ITA)**

**Benefits Analysis** services are part of an individual's pathway to employment; assessing planning and implementing a benefits analysis package that will utilize all possible funding sources in order to further the vision of desired employment in the community. A combination of services and supports may be needed to assist people including:

- Intake Meeting
- Information Gathering
- Formal Written Analysis
- Presentation of Formal Written Analysis
- Additional Support

To be considered for qualified provider status for ITA: Benefits Analysis Services the agency must answer the questions below:

A. The agency has a two-year history of conducting benefits analysis services for individuals with significant developmental disabilities

Yes

No

B. The agency has successfully supported at least two individuals with significant developmental disabilities, in their Benefits Analysis services by completing PASS Plans that have been approved by Social Security.

Yes

No

C. Documentation of training and certification as a Community Work Incentive Coordinator (CWIC) for all staff conducting benefits analysis services. Documentation of on-going training for CWICs to maintain their CWIC certification.

Yes

No

**Other Technical Assistance:**

A. The agency has a two-year history of conducting this technical service for individuals with significant developmental disabilities

Yes

No

B. Documentation of training and certification as appropriate and necessary for delivery of this technical service. Documentation of on-going training for this service to maintain appropriate skills or certification.

Yes

No

**IV.  School District Transition Services**

**DEFINITION: Transition Services**-(Rehabilitation Act of 1973 as amended Section 2 (37) definition) The term "transition services" means a coordinated set of activities for a student, designed within an outcome-oriented process, that promotes movement from school to post school activities, including postsecondary education, vocational training, integrated employment (including supported employment), continuing and adult education, adult services, independent living, or community participation. The coordinated set of activities shall be based upon the individual student's needs, taking into account the student's preferences and interests, and shall include instruction,

community experiences, the development of employment and other post school adult living objectives, and, when appropriate, acquisition of daily living skills and functional vocational evaluation.

CCHHSDD works cooperatively with local School Districts to provide services to students between the ages of 18 and 21 within the designated School District and jointly funds these services. Services are provided at a level of up to 20 hours per month.

To be considered for qualified provider status for School District Transition services, the agency must answer the questions below:

- A. The agency has a two-year history of providing transition services for individuals with significant developmental disabilities  
Yes                      No
  
- B. The agency has successfully supported at least five individuals with significant developmental disabilities in transition services.  
Yes                      No

PROVIDER CONTRACT

This PROVIDER CONTRACT is entered into and effective July 1, 20\_\_ through June 30, 20\_\_ between CLALLAM COUNTY DEPARTMENT OF HEALTH & HUMAN SERVICES, hereinafter referred to as "County" and Morningside, hereinafter referred to as "Provider".

CLALLAM COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES

Address: 111 E. 3rd Street
Port Angeles, WA 98362

Main Phone: (360) 417-2523
Fax: (360) 452-9605

Contact Person:
Contact Phone:
Contact E-Mail:

Provider: Name
Address

Funding Authority:

Phone: (360) xxx-xxxx
Fax: (360) xxx-xxxx
E-mail:

DSHS Basic Agreement #1783-86259
DDA County Services Agreement #1963-57495
DSHS, DDA Home & Community Based
Waiver Program (CMS)

Contact Person: ----- President/CEO
Service Modality: Individual Supported Employment
Community Information & Education
County Millage: School Transition Services

Tax Identification Numbers:
IRS#: 91-0757099
UBI #: 324-010-568

This Contract is comprised of:

- Exhibit "A" Special Terms & Conditions.
Exhibit "B" General Terms & Conditions.
Exhibit "C" Data Security Requirements.

copies of which are attached hereto and incorporated herein by this reference as if fully set forth.

IN WITNESS WHEREOF, the parties have entered this Contract on this \_\_\_ day of \_\_\_\_\_, 20\_\_

BOARD OF CLALLAM COUNTY COMMISSIONERS:

Morningside:

Mark Ozias, Chair

-----, President/CEO Date

ATTEST:

APPROVED AS TO FORM:

Loni Gores, Clerk of the Board

**SPECIAL TERMS & CONDITIONS**

1. **DEFINITIONS:** The words and phrases listed below, as used in this Contract, shall each have the following definitions:
  - a. **Acuity Level**" means the level of an individual's abilities and needs as determined through the DDA assessment.
  - b. **"AWA"** means ALTSA Web Access also referred to as the CMIS.
  - c. **"Additional Consumer Services"** refers to indirect client service types as follows:  
Community Information and Education, Training and Other Activities
  - d. **"BARS"** means the Washington State DDA Budget Accounting and Reporting System
  - e. **"Client"** means a person with a developmental disability as defined in Chapter 388-823 WAC who is eligible and active with the Developmental Disabilities Administration or is an identified PASRR client.
  - f. **"CRM"** means the DDA Case Resource Manager
  - g. **"Consumer Support"** refers to direct client service types as follows: Community Inclusion or CI, Child Development Services, Individual Supported Employment, Individualized Technical Assistance, and Group Supported Employment.
  - h. **"CSA"** means County Service Authorization.
  - i. **"County"** means Clallam County, Department of Health & Human Services.
  - j. **"County Millage Services"** means county approved services authorized to be paid by millage funds.
  - k. **"DD"** means developmental disabilities
  - l. **"DDA"** means the Developmental Disabilities Administration within DSHS.
  - m. **"DDA Region"** means the DDA Regional office.
  - n. **"DSHS"** means the Washington State Department of Social and Health Services.
  - o. **"DVR"** means the Washington State Division of Vocational Rehabilitation.
  - p. **"General Terms and Conditions"** means the contractual provisions contained with that agreement, which govern the contractual relationship between DSHS and the county and it's subcontractor(s).
  - q. **"HCBS"** means the Medicaid Home and Community Based Services.
  - r. **"PASRR"** means Preadmission Screening and Resident Review.
  - s. **"PCSP"** means Person Centered Service Plan, a document that authorizes and identifies the DDA paid services to meet a Client's assessed needs. Formerly referred to as the Individual Support Plan.
  - t. **"Personal Information"** means information identifiable to any person including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, drivers license numbers, other identifying numbers, and any financial identifiers.
  - u. **"Quality Assurance"** means an adherence to all Contract requirements, including DDA Policy 6.13, *Employment/Day Program Provider Qualifications*, County Guidelines and the Criteria for Evaluation, as well as a focus on reasonably expected levels of performance, quality, and practice.
  - v. **"Service Provider"** is a qualified client service vendor who is contracted to provide Employment and Day Program services.
  - w. **"Subcontractor"** is the service provider contracted by the County to provide services..
  - x. **"RCW"** means Revised Codes of Washington.
  - y. **"WAC"** means Washington Administrative Code.

2. TERM OF CONTRACT:

Term of this contract shall be July 1, 20\_\_ through June 30, 20\_\_.

3. PURPOSE:

This Contract is entered into between County and \_\_\_\_\_ in accordance with Chapter 71A.14 RCW. Its purpose is to advance the state legislative policy to provide a coordinated and comprehensive state and local program of services for persons with developmental disabilities.

4. CLIENT ELIGIBILITY:

Client eligibility and service referral are the responsibility of DDA under chapter 388-823 WAC (Eligibility) and chapter 388-825 WAC (Service Rules). Only persons referred by DDA shall be eligible for direct client services under this contract. It is DDAs responsibility to determine and authorize the appropriate direct service(s) type. Direct client services provided without authorization by DDA or the County are not reimbursable under this Contract.

5. PROVIDER QUALIFICATIONS:

Provider assures they meet the qualifications as outlined in the DDA Policy 6.13, **Program Provider Qualifications**.

6. HOME AND COMMUNITY BASED WAIVER SERVICES ASSIGNMENT OF MEDICAID BILLING RIGHTS:

Provider agrees to assign to DDA its Medicaid billing rights for services to DDA Clients eligible under Title XIX programs in this Contract. Written documentation shall be available to County upon request.

7. REPORTING ABUSE AND NEGLECT:

The Provider is a mandated reporter under RCW 74.34.020(13) and must comply with reporting requirements described in RCW 74.34.035, .040 and chapter 26.44 RCW. If a Provider staff member is cited or on the registry for a substantiated finding, then that associated staff will be prohibited from providing services under this Contract.

8. PROVIDER WILL FOLLOW ALL APPLICABLE FEDERAL, STATE, AND LOCAL POLICIES AND GUIDELINES:

DDA policy manual <https://www.dshs.wa.gov/dda/policies-and-rules/policy-manual>

1992 County Guidelines

([https://www.dshs.wa.gov/sites/default/files/DDA/dda/documents/c\\_guidelines.pdf](https://www.dshs.wa.gov/sites/default/files/DDA/dda/documents/c_guidelines.pdf) )

DDA Guiding Values

<https://www.dshs.wa.gov/sites/default/files/DDA/dda/documents/DDA%20Guiding%20Values%20Booklet.pdf>

2018-19 Mandatory Requirements

IRS Self-Employment Guidelines

## Clallam County Supported Self-Employment Manual

Washington Protection and Advocacy (WPAS) Access Agreement

<https://www.dshs.wa.gov/sites/default/files/DDA/dda/documents/WPAS.pdf>

APSE CESP Code of Conduct; [http://www.apse.org/wp-](http://www.apse.org/wp-content/uploads/docs/CESP%20Candidate%20Handbook.1.12.pdf)

[content/uploads/docs/CESP%20Candidate%20Handbook.1.12.pdf](http://www.apse.org/wp-content/uploads/docs/CESP%20Candidate%20Handbook.1.12.pdf)

COUNTY BEST PRACTICES: Individual Employment Billable Activities, Community Inclusion Billable Activities, Employment Plan/Progress Form Instructions, Community Inclusion Plan/Progress Form Instructions, Criteria for Evaluation 2019-2021, DDA Self-Employment Guidelines, <https://www.dshs.wa.gov/dda/county-best-practices>

and any other requirements established by the Department of Social and Health Services and the County.

### 9. SERVICE DESCRIPTION:

#### a. **INDIVIDUAL SUPPORTED EMPLOYMENT (568.64)**

The Provider shall, under BARS code 568.64, provide services as follows:

1. Individual Supported Employment services are a part of an individual's pathway to employment and are tailored to individual needs, interests, abilities and promote career development. These are individualized services necessary to help a person with developmental disabilities obtain and continue integrated, individual employment at or above the state's minimum wage in the general workforce. These services may include intake, discovery, assessment, job preparation, job marketing, job supports, record keeping and support to maintain a job (per the Individual Employment Phases & Billable Activities).

Clients in an **employment** program will be supported to work towards a living wage. A living wage is the amount needed to enable an individual to meet or exceed his/her living expenses. Clients should be supported to average twenty (20) hours of community work per week or eighty-six (86) hours per month; however, each person's preferred hours of employment should be taken into consideration. The amount of service a Client receives will be based on his/her demonstrated need, acuity level and work history per WAC 388-828. Outcomes will be established in accordance with County Guidelines.

**This service is available for all adults with developmental disabilities, regardless of severity of disability.**

2. Individual Supported Employment can include Supported Self-Employment. Supported Self-Employment, if an applicable goal, must meet the following requirements:
  - Adhere to Washington State DDA Self-Employment Policy Guidelines
  - Determine that the proposed activity is a business according to IRS Guidelines
  - Once it has been determined the activity will meet IRS rules for a business, the self-employed person receiving DDA employment supports will:
    - Demonstrate the individual receiving services owns and operates the business;
    - Provide a Business Plan to the County and DDA demonstrating feasibility as determined by DVR or a neutral, agreed-upon third party business expert;
    - Become licensed if required and follow all local, state, and federal regulations and rules;

- Establish benchmarks for profitability and demonstrate progress is being made toward reaching those profit benchmarks; and
    - Demonstrate the business will likely provide a living wage.
  - Adhere to the Clallam County Supported Self-Employment Manual.
3. Provider employment staff will attend the annual assessment and case manager PCSP development meeting, when properly notified with at least two weeks' advance notice, for each participant the provider serves.
  4. All participants will be contacted by the Provider according to participant need or at least once per month.
  5. At least 40 documented hours of County-approved training per Fiscal Year (July 1 – June 30) will occur for each FTE staff person who provides services in this modality. The provider shall keep track of all training received for each staff person.
  6. It is the Provider's responsibility to inform participants that transportation is not the responsibility of the Provider to supply. Transportation training may include coordination of the multiple transportation services, training the individual in use of public transportation, supports for the individual to obtain a driver's license, walking, bicycling or use of the student's family, friends or co-workers to provide transportation. The Provider shall assess and document in the EP/PR each participant's transportation needs.

The Provider shall assist each participant to access public or specialized transportation for any activity sponsored as a part of Individualized Supportive Employment services. It is expected that public or specialized transportation will be utilized, except as detailed in the transportation plan. The cost of transportation is included in the fee for service that a Provider receives.

7. If no other viable transportation options are available, the Provider may transport participants in Provider or employee vehicles provided that:
  - Provider complies with the automobile insurance requirement set forth in the Provider Contract;
  - Automobile insurance specifically indicates that the provider is covered for transporting clients;
  - Transportation Assessment and Plan indicates this is the only feasible mode of transportation; and
  - DDA Case Manager agrees to the Transportation Assessment and Plan.

## **B. COMMUNITY INFORMATION & EDUCATION (568.40) AND COUNTY MILLAGE FUNDS**

The Provider shall, under BARS code 568.40, provide services as follows:

Community Information & Education refers to costs incurred by the program for activities to inform and/or educate the general public about developmental disabilities and related services. Includes information and referral services, activities aimed at promoting public awareness and involvement; community consultation, capacity building and organization activities.

In addition, Provider may use Community and Education and Millage funds to accomplish any of the following certifications and/or trainings that support professional development that enables staff to support individuals with developmental disabilities:

### **Certification as Certified Professional Employment Professionals (CESP)**

Assist Clallam County in creating a more effective and professional team of job coaches/developers for persons with developmental disabilities. Increase capacity of local agencies to meet the employment needs of individuals with developmental disabilities. Increase effectiveness in placing and supporting individuals with developmental disabilities as employees in local businesses.

Submit proof of successful passage of the CESP certification exam. One page summary report documenting date, time and location of exam with notification of passage of the exam.

**APSE or Other Employment Appropriate National Convention Training**

Provider must get approval from County, in writing, of the intended Convention or Conference wanting to attend. Upon approval, Provider shall provide county with all applicable backup documentation for reimbursement. This includes but is not limited to conference agenda, receipts for travel reimbursement, any handouts applicable to the training or conference, and any other documentation required or requested by the County.

**Other Trainings and/or Professional Development**

Other trainings and professional development opportunities may be approved (requires prior written approval by the County) and reimbursed that support the Provider access and attain new or continued knowledge that increases the staff's effectiveness in securing, supporting or improving the employment status of client served by Provider.

**C. COUNTY MILLAGE FUNDS: SCHOOL DISTRICT TRANSITION SERVICES**

Provide Transition services for eligible students authorized by the applicable School District between the ages of eighteen and twenty-one when selected by the student and their family, and referred by the School District. Transition services shall promote collaboration among DVR, school district, county, DDA, and community agencies that support the transition of students from school to employment and/or post-school activities leading to employment, including career exploration.

Transition services will include the following:

1. Collaborate with School District staff and keep them informed of activities, progress and timelines as outlined in the IEP;
2. Effectively communicate with the student's family and their case manager also informing them of activities, progress and timelines as outlined in the IEP;
3. Develop individualized vocational services plan when needed;
4. Develop individualized budget to implement the vocational services plan and submit to District Administrator and County staff for approval,
5. Work closely with School District staff for purposes of transportation needs and other supports; and
6. Provide monthly written progress reports with all billings to the County that include:
  - Name of School District
  - Students name;
  - Direct service hours to the student;

- Dates and hours of service on behalf of the student including but not limited to scheduling transportation, name and date employer(s) contacted (initial and follow-up) and job development;
  - Student's wages earned;
  - Hours worked; and
  - Progress on work skills and behaviors as identified and outlined on IEP.
7. Approval of billing invoices require the submittal of a monthly progress report and documentation of service dates and hours provided on the County approved form. Billings must be submitted within 45 days of the last day of the service month to be considered for payment.
  8. Services during July and August must be approved by the IEP team and the School District. The school will determine if Extended School Year (ESY) is available for these services and will notify the County in writing of any such approval. A new CSA will be written to cover services during the months of July and August.
  9. Students will not be transported in private staff vehicles. Transportation training may include coordination of the school's transportation services, training the individual in use of public transportation, supports for the individual to obtain a driver's license, walking, bicycling or use of the student's family to provide transportation.
  10. The Provider shall assess and document in the Transportation Assessment and Plan each participant's transportation needs. The Provider shall assist each participant to access public or specialized transportation for any activity sponsored as a part of Transition services. It is expected that public or specialized transportation will be utilized, except as detailed in the transportation plan. The cost of transportation is included in the fee for service that a Provider receives
  11. If no other viable transportation options are available, the Provider may transport participants in Provider or employee vehicles provided that
    - Provider complies with the automobile insurance requirement set forth in the Provider Contract;
    - Automobile insurance specifically indicates that the provider is covered for transporting clients;
    - Transportation Assessment and Plan indicates this is the only feasible mode of transportation; and
    - DDA Case Manager agrees to the Transportation Assessment and Plan.

10. CLIENT'S INDIVIDUALIZED PLAN:

The Client's DDA PCSP is the driver for service. The AWA CSA and updated Planned Rates information will not exceed the Client's DDA PCSP. Service changes will not occur until the Client has received proper notification from DDA.

All Clients will have an Individualized Employment or Community Inclusion plan to identify Client's preferences. Minimum plan elements are outlined in the reference document "Criteria for an Evaluation." A copy of the Client's individualized plan will be provided to the Client, their CRM, the County, guardian and others as appropriate.

Provider shall complete the client's plan within 30 days of service and provide a semi-annual progress report six months after the initial report. The plan shall include the outcomes of activities being provided to the client and reports shall be given to the client, the County, the CRM, guardian, and others as appropriate. The report will summarize the progress made towards the Client's individualized goals.

Failure to submit ER/PR within the appropriate time lines will result in billing not being processed until the plans are completed.

All Clients will be contacted by their service provider according to Client need and at least once per month.

If Clients in Individual Employment have not obtained paid employment at minimum wage or better within **six (6) months**, the Provider and County will assure the following steps are taken:

- (a) Review the progress toward employment goals;
- (b) Provide evidence of consultation with the Client/guardian; and
- (c) Develop additional strategies with the Client/guardian, county staff, employment support staff, case manager, and others identified by the Client. Strategies may include providing technical assistance, changing to a new provider, and/or providing additional resources as needed to support the individual's pursuit of employment. The additional strategies will be documented for each Client and kept in the Client's file(s).

If after twelve (12) months the Client remains unemployed, an additional review will be conducted. The provider will address steps outlined in the previous six month progress report in the next six month progress report. The Client may request to participate in Community Inclusion activities or the Client may choose to remain in an employment program. When requesting to participate in CI, the Client shall communicate directly with his or her DDA Case Manager. The DDA Case Manager is responsible for authorizing CI services.

Individual Employment staff hours must be attributed to the "Individual Employment and Billable Activity Phase(s)".

11. SETTINGS:

Employment and day services must adhere to the Home and Community Based settings (HCBS) requirements of 42CFR 441 530(a)(1), including that:

- (a) The setting is integrated in the greater community and supports individuals to have full access to the greater community;
- (b) Ensures the individual receives services in the community to the same degree of access as individuals not receiving Medicaid HCBS;
- (c) The setting provides opportunities to seek employment and work in competitive integrated settings; and
- (d) The setting facilitates individual choice regarding services and supports, and who provides them.

12. PROVIDER RESPONSIBILITIES:

For State funded services, the Provider agrees to serve only persons referred by DDA who are eligible for direct client services under this Provider Contract. It is DDA's responsibility to determine and authorize the appropriate direct service(s) type. The Provider agrees to consider

participants for service acceptance upon receipt of referral from County. All referred clients will have the opportunity to participate in vendor interviews and self-select the provider of their choice after interviews. A client may also self-select and waive their participation in interviews but the appropriate form must be completed and signed indicating their selection.

The Provider agrees to provide authorized services, participate in conferences and consult with State DDA Case Managers and County staff to implement changes in participant services if needed. Any change in a participant service including a change in hours of service, will be preceded by an approved and signed County Authorization Form (CSA).

The Provider will clearly communicate to the client, prior to beginning services, the minimum and maximum service hours per month they can expect to receive. The amount of service hours a client receives is based upon his/her demonstrated need, acuity level, work history and documented special conditions per the Services Level Guidelines. If a change in the minimum and/or maximum service hour(s) is expected, the Provider will inform the client prior to the change. The client minimum and maximum service hour(s) ARE reflected in the County Service Authorization and updated planned rates information will not exceed the client's DDA PCSP. The amount of service the client receives should match the County Service Authorization and updated Planned Rates information.

The Provider will have at least one hour of face-to-face contact with each client they are authorized to serve. This contact must consist of at least one hour per month in order to bill for services during that month.

Services and programs shall be provided consistent with related RCW, WAC, Clallam County Program Contract and County Mandatory Requirements.

13. PROGRAM/SERVICE FUNDING AND RATES:

Funding for services is a fee for service method of payment with each unit billed in accordance with the descriptions below.

<p><b><i>STATE FUNDS:</i></b>  <i>Individual Supported Employment</i>  <i>Community Information and Education</i></p> <p><b><i>COUNTY MILLAGE FUNDS:</i></b>  <i>Port Angeles School District Transition Services</i>  <i>Sequim School District Transition Services</i>  <i>Quillayute Valley School District Transition Services</i>  <i>Continuing Education and Training</i></p>
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**Individual Supported Employment Rate Schedule:**

SERVICE CODE	SERVICE UNIT	UNIT RATE
568.64	1 unit = 1 hour 1 hour = at least 50 minutes	\$72.00/hour

1 hour = 1 staff hour dedicated to securing, attaining and/or maintaining an Individual Supported Employment option on behalf of eligible and authorized participants of DDA.

The Provider may bill for as small as quarter units.

**Community Information and Education:**

568.40 Community Information and Education:

Provider, with prior written approval from County, may attend or provide community information and trainings that further the education of the community and/or staff regarding the inclusion of individuals with developmental disabilities into the workforce and/or community. Provider must provide the required documentation of attendance and expenses per county policy and request of the county before reimbursement.

The Total Maximum Compensation for completion of all Community Information and Education payment points shall not exceed \$ \_\_\_\_\_

**High School Transition Services**

SERVICE CODE	SERVICE UNIT	UNIT RATE
County Millage	1 unit = 1 hour Maximum 20 hours per month 1:1 Ratio Only	\$60.00/hour \$1200.00/month

14. PAYMENT, BILLING AND REPORTS:

Billing shall be submitted no later than the 10th day of the month, following the month in which such expenses were incurred. Billing in December shall be submitted no later than the 3<sup>rd</sup> day of the month for services provided in November. Later submissions in December will result in payments delayed until the end of January. The County shall pay for services once a month.

Billing reports must be submitted electronically in accordance with requirements of the Washington State AWA Billing System. No payments will be made to the Provider until a timely and accurate billing report is received by the County. Billing reports requiring corrections must be completed and resubmitted by the 15<sup>th</sup> day of the month. Failure to satisfy such requirements may result in a delay in payment.

Providers must mail a Contract Certification form with an original signature each month when they submit their billing reports electronically. This form must be received in the County office by the

15<sup>th</sup> day of the month. No payments will be made to the Provider until this form is received by the County. Failure to satisfy such requirements may result in a delay in payment.

A current Clallam County CSA must be in effect for each participant. Billing for services shall not exceed authorized amounts as indicated on the current form. Authorized units of service are pristine to the individual participant as assigned and noted on the Form. No sharing of hours between participants is allowed.

All initial invoices with documentation must be received by the County within 45 calendar days following the last day of the month in which the service is provided. Corrected invoices and documentation including re-posted billing information will be accepted throughout the fiscal year and long as they are received within 45 calendar days of the associated fiscal year. Payment will not be made on any invoice submitted past 45 calendar days after the program agreement fiscal year.

Late or corrected bills and accompanying documentation will be accepted up until 30 calendar days after the associated contract fiscal year. Payment will not be made on any bill submitted past the 30 calendar days of the associated contract fiscal year.

Client services shall not be reimbursed under this Provider Contract when the same services are paid for under the Rehabilitation Act of 1973 (DVR), Public Law 94-142 (Public Education), or any other source of public or private funding.

15. SERVICE STANDARDS:

All providers of employment/day program services contracting with Clallam County to serve eligible individuals with developmental disabilities shall meet the following qualifications:

- Compliance with APSE CESP Code of Conduct, Sections 1 and 3 regardless of certification status;
- Assurance that potential conflict of interest (real or apparent) will not arise. Such a conflict would arise when the employee, officer or agent, any member of immediate family, guardian/decision-maker, or an organization which employs, or is about to employ, any of the above has financial or other interest in the client.
- Documentation of experience, knowledge and performance in providing services to individuals with developmental disabilities will be maintained.
- The following indicators will be incorporated into an agency's overall written performance plan and the agency will document progress over time. An employment service performance plan must include for each acuity level, the following client data:
  - i. Number of new jobs
  - ii. Number of jobs lost and reason for job loss;
  - iii. Percentage of clients employed earning minimum wage or higher; and
  - iv. Average number of hours worked by client.
- Documented history of working cooperatively with community-based organizations including employers, the Division of Vocational Rehabilitation (DVR) and schools;
- Demonstrated methods for providing services based on individual needs as outlined in a client's plan;
- Commitment to support integration of individuals with developmental disabilities with people who are not disabled;

- The administrative capabilities necessary to safeguard public funds including: maintaining accurate accounting books, records, documents and other materials relevant to the provision of goods and services;
- A management system that provides for systematic accumulation, filing and retention of timely reports to the County, DDA and/or for federal audits;
- Adequate internal control systems: The Provider will maintain written policy procedural manuals for information systems, personnel and accounting/finance in sufficient detail such that, operations can continue should staffing change or absences occur;
- Compliance with the qualifications outlined in DDA Policy 6.13, Program Provider Qualifications;
- To be a qualified service provider of employment services, an agency must employ at least one or more individuals who:
  1. Have at least two years of experience – or an Employment Professional Certificate from Highline Community College or CESP Certification and one year of experience - related to the employment services the agency provides to DDA clients;
  2. Experienced staff who have documented current training and/or continued education on best employment practices. Additionally experienced staff must have the skill and ability to impart this information to frontline/direct line staff and maintain evidence of doing so.
  3. Staff core competencies will include the following at minimum:
    - Developing, obtaining, and maintaining community-based employment placements with minimum wage compensation or greater;
    - Conducting Discovery assessments;
    - Goal and career planning;
    - Job preparation;
    - Job development;
    - Work place and job analysis;
    - Job Coaching, including task design and training, support strategies, and natural support;
    - Documenting goals and writing reports clearly; and
    - Knowledge of Social Security benefits.
- Ensures that direct service staff are 18 years of age or older, have received training and have documented knowledge in the following areas:

Prior to working with clients:

1. Client Confidentiality;
2. Current individual instruction and support plans for each client with whom the employee works;
3. DDA Policy 4.11 Working Age Adult (adult services only);
4. DDA Policy 5.06 Client Rights;
5. DDA Policy 5.13 Protection from Abuse; Mandatory Reporting
6. DDA Policy 6.08 Mandatory Reporting Requirements for Employment and Day Program Service Providers
7. DDA Policy 9.03 Employee Protection from Bloodborne Pathogens
8. DDA Policy 9.07 HIV & AIDS

9. DDA Policy 12.01 Incident Management
10. DD Policy 13.01 Public Disclosure of Records and Safeguarding of Confidential Information
11. DDA Policy 14.01 Environmental Safety (First Aid/CPR)
12. Competencies including:
  - o Values that support the abilities of each individual
  - o Effective Communication – The ability to effectively listen and to make one’s self understood
  - o Planning methods
  - o Crisis Prevention and Intervention

Within One Month of Employment Start Date:

Overview of DDA Policies, including:

1. DDA Policy 3.01 Service Plans
2. DDA Policy 5.03 Client Complaints
3. DDA Policy 5.17 Physical Intervention Techniques

Within Three Months of Employment Start Date:

2. Program skill development
3. DDA Policy 5.02 Necessary Supplemental Accommodation
4. DDA Policy 5.05 Limited English Proficient Clients
5. DDA Policy 5.14 Positive Behavior Support
6. DDA Policy 5.15 Use of Restrictive Procedures
7. DDA Policy 13.04 Access to Client Records Maintained by DDA

- Ensures that all direct service staff review new and updated County and DDA policies when issued. Staff review will be documented in provider’s file.
- Ensures that direct service staff are licensed or registered when appropriate/required.
- Proof of background criminal history clearance in accordance with RCW 43.43. 830-845, RCW 74.15-030 and Chapter 388-06 WAC on all staff. A background history clearance is required every three years for all employees, sub-contractors and/or volunteers who may have unsupervised access to vulnerable DDA clients. If the Provider elects to hire or retain an individual after receiving notice that the individual has a conviction for an offense that would disqualify the individual from having unsupervised access to vulnerable adults as defined in RCW 74.32, then the County shall deny payment for any subsequent services rendered by the Provider. The DSHS Background Check Central Unit (BCCU) must be used to obtain background clearance.
- The Provider and all their staff members are mandated reporters under RCW 74.34.020(1) and must comply with reporting requirements described in RCW 74.34.035, RCW 74.34.040 and RCW 26.44. If the County is notified that a Provider staff member is cited or on the registry for a substantiated finding, then that staff member will be prohibited from providing services under the Clallam County Provider Contract.
- The Provider will assure adequate staffing levels to provide services all services and when staffing is not adequate, and will inform the County when staffing is not adequate to serving potential clients.

**GENERAL TERMS & CONDITIONS**

1. SCOPE OF PROVIDER'S SERVICES

The Provider agrees to provide to the County services and any materials set forth in the Special Terms & Conditions [Exhibit "A"] during the Contract period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Contract.

2. ASSIGNMENT

The Provider may not assign any of the Provider's Contract rights or obligations to a third party without the prior, written consent of the County and the written assumption of the Provider's obligations by the third party.

3. COMPLIANCE WITH APPLICABLE LAW

At all times during the term of the Contract, the Provider shall comply with all applicable federal, state and local laws, regulations, and rules.

4. CONFIDENTIALITY OF PARTICIPANT INFORMATION

- A. The Provider shall not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Contract for any purpose that is not directly connected with the Provider's performance of the services contemplated hereunder, except:
  - i. As provided by law; or
  - ii. In the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.
- B. The Provider shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Provider to employ reasonable security measures, which include restricting access to the Confidential Information by:

- i. Each Provider will have a written policy for the appropriate use, storage, disclosure, modification and loss of Confidential Information in all formats and all staff will be trained in this policy. Documentation of training will be maintained by Provider.
- ii. Allowing access only to staff that have an authorized business requirement to view the Confidential Information.
- iii. Physically securing any computers, documents, portable devices such as smart phones, tablets, flash memory devices, portable hard disks and laptop/notebook/netbook computers if those items or other media containing Confidential Information may be transported out of a Secured area. . Data will not be stored on portable devices or media unless:
  - a. It is appropriately encrypted with a key length of at least 128 bits;
  - b. Control access to devices with a Unique User ID and Hardened Password or stronger authentication method;
  - c. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity. Maximum period of inactivity is 20 minutes.
  - d. Properly inventoried and controlled;
  - e. Stored in a secured area.
  - f. Under the control of Contractor staff at all times when in an unsecured location.
- iv. Ensuring the security of Confidential Information transmitted via fax (facsimile) by:
  - a. Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.
  - b. Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.
  - c. Verifying after transmittal that the fax was received by the intended recipient.
- v. When transporting DSHS Confidential Information electronically, including via email, the Data will be protected by:
  - a. Transporting the data within the (State Government Network) SGN or Contractor's internal network, or;
  - b. Encrypting any Data that will be in transit outside the SGN or Contractor's internal network. This includes transit over the public internet.
- vi. When transporting six (6) or more records containing Confidential Information, outside a Secure Area, do one or more of the following as appropriate:
  - a. Use a Trusted System
  - b. Encrypt the Confidential Information, including:
    - 1. Encrypting email and/or email attachments which contain Confidential Information
    - 2. Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.
- vii. Send paper documents containing Confidential Information via a Trusted System. When not in use, such records must be stored in a locked container such as a file cabinet, locking drawer or safe in a secured area accessible only to authorized personnel.
- viii. DSHS data may be stored on portable or non-portable media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery process. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If so, such media will be protected as otherwise described in this contract. If this media is retired while DSHS Confidential Information still exists upon it, that data will be destroyed at that time in accordance with the approved destruction methods obtained from the County contact identified on the cover page of this Contract.

- C. DSHS Data must be desegregated or otherwise distinguished from non-DSHS data. This is to ensure that when no longer needed by Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation:
    - i. DSHS Data will be kept on media which will contain no non-DSHS Data. And/or,
    - ii. DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,
    - iii. DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,
    - iv. DSHS Data will be stored within a database and will be distinguishable from non-DSHS Data by the value of a specific field or fields within database records.
    - v. When stored as physical paper documents, DSHS Data will be physically separated from non-DSHS Data in a drawer, folder or other container.
    - vi. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS Data with which it is comingled must be protected as described in the preceding paragraphs.
  - D. Upon request of the County or at the end of the Contract term, or when no longer needed, the Provider shall return the Confidential Information or certify in writing that the Provider employed a DSHS approved method to destroy the information. The Provider may obtain information regarding approved destruction methods from the County contact identified on the cover page of this Contract.
  - E. Paper documents with Confidential Information may be recycled through a contracted firm, provided the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping or incineration.
5. Notification of Compromise or Potential Compromise. The compromise or potential compromise of Confidential Information must be reported to the County Coordinator and DSHS Contact designated on the contract within one (1) business day of discovery. The Provider must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by the county, law or DSHS. PROVIDER CERTIFICATION REGARDING ETHICS

The Provider certifies that the Provider is in compliance with RCW Chapter 42.23 and 42.20; and shall comply with said RCW Chapters throughout the term of the Contract.

6. PROVIDER NOT AN EMPLOYEE OF COUNTY

The Provider's services shall be furnished by the Provider as an independent Provider and nothing herein contained shall be construed to create a relationship of employer/employee or master/servant.

For purposes of the Contract, the Provider acknowledges that the Provider is not an officer, employee, or agent of the County. The Provider acknowledges that the entire compensation for this Contract is specified in Special Terms & Conditions [Exhibit "A"] and the Provider is not entitled to any county benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental or other insurance benefits, or any other rights or privileges afforded to Clallam County employees. The Provider represents that it maintains a separate place of business, serves participants other than the County, will report all income and expense accrued under this Contract with the Internal Revenue Service on a business tax schedule, and has a tax account with the State of Washington Department of Revenue for payment of all sales and use and Business and Occupation taxes collected by the State of Washington.

In the event that either the state or federal government determines that an employer/employee or master/servant relationship exists rather than an independent Provider relationship such that Clallam County is deemed responsible for federal withholding, social security contributions, workers compensation and the like, the Provider agrees to reimburse Clallam County for any payments made or required to be made by Clallam County. Should any overpayments be made to the Provider pursuant to this Contract, the Provider agrees that reimbursement may be made by deducting from such future payments a pro rata share of the amount to be reimbursed.

Notwithstanding any determination by the state or federal government that an employer/employee or master/servant relationship exists, the Provider, its officers, employees and/or agents, shall not be entitled to any benefits which Clallam County provides to its employees.

7. NO GUARANTEE OF EMPLOYMENT

The performance of all or part of this Contract by the Provider shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Provider or any employee of the Provider or any Subcontractor or any employee of any Subcontractor by the County at the present time or in the future.

8. REGULATIONS AND REQUIREMENTS

This Contract shall be subject to all federal, state and local laws, rules, and regulations.

9. RIGHT TO REVIEW

This Contract is subject to review by any federal or state auditor. The County shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the County Project Manager. Each subcontractor will be evaluated at least once per contract biennium. The evaluation system will incorporate Quality Assurance items and Quality Improvement measures incorporated with it. A copy of this evaluation system shall be made available to all subcontractors and the DDA upon request. Such review may occur with or without notice, and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Contract and its performance, and any and all communications with or evaluations by service recipients under this Contract. The Provider shall preserve and maintain all financial records and records relating to the performance of work under this Contract for six (6) years after Contract termination, and shall make them available for such review, within Clallam County, State of Washington, upon request, during reasonable business hours.

The Provider shall maintain records sufficient to:

- a. document performance of all acts required by statute, regulation, rule, or the Contract;
- b. substantiate the provider's statement of its organization's structure, tax status, capabilities, and performance;
- c. demonstrate accounting procedures, practices and records which sufficiently and properly document the Provider's invoices to the County and all expenditures made by the Provider to perform as required by the Contract; and
- d. establish and maintain adequate internal control systems: The Provider will maintain written policy procedural manuals for information systems, personnel, and accounting/finance in sufficient detail that, operations can continue should staffing change or absences occur.

Documentation, books, records, and other evidence shall be kept at the company's Clallam County Office and will be available for examination by the County at reasonable times.

10. MODIFICATIONS

Either party may request changes in the Contract. Any and all agreed modifications shall be in writing, signed by each of the parties.

11. TERMINATION FOR DEFAULT

The County may terminate the Contract in whole or in part, by written notice to the Provider, if the County has a reasonable basis to believe that the Provider has:

- failed to meet or maintain any requirement for contracting with the County;
- failed to perform under any provision of the Contract;
- becomes insolvent or is declared bankrupt or makes an assignment for the benefit of creditors; and/or
- otherwise breached any provision or condition of the Contract.

Before the County may terminate the Contract, the County may, by depositing written notice to the Provider in the U.S. Mail, postage prepaid, terminate the Contract, and at the County's option, obtain performance of the work elsewhere. If the Contract is terminated for default, the Provider shall not be entitled to receive any further payments under the Contract. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Provider. The Provider agrees to bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

However, the County may terminate the Contract without written notice and without opportunity for correction, if the County has a reasonable basis to believe that the Provider has failed to ensure the health or safety of any participant for whom services are being provided under the Contract or the Provider has violated any law, regulation, rule, or ordinance.

If a notice of termination for default has been issued and it is later determined for any reason that the Provider was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Convenience paragraph hereof.

12. TERMINATION FOR CONVENIENCE

The County may terminate the Contract in whole or in part whenever the County determines, in its sole discretion that such termination is in the interest of the County. Whenever the Contract is terminated in accordance with this paragraph, the Provider shall be entitled to payment for actual work performed for completed items of work. An equitable adjustment in the Contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Contract by the County at any time during the term, whether for default or convenience, shall not constitute a breach of Contract by the County.

The Provider may terminate the Contract by giving the County at least thirty (30) calendar days' written notice addressed to: Director, Clallam County Department of Health and Human Services, 111 E. 3rd Street, Port Angeles, WA 98362.

13. TERMINATION DUE TO INSUFFICIENT FUNDS

If sufficient funds for payment under this Contract are not appropriated or allocated or are withdrawn, reduced or otherwise limited, the County may terminate this Contract upon five (5)

days written notice to the Provider. No penalty or expense shall accrue to the County in the event this provision applies.

14. TERMINATION PROCEDURE

The following provisions apply in the event that this Contract is terminated:

- a. The Provider shall cease to perform any services required hereunder as of the effective date of termination and shall comply with all reasonable instructions contained in the notice of termination, if any.
- b. The Provider shall provide the County with an accounting of authorized services provided through the effective date of termination.
- c. If the Contract has been terminated for default, the County may withhold a sum from the final payment to the Provider that the County determines necessary to protect itself against loss or liability.

15. DEFENSE AND INDEMNITY CONTRACT

The Provider agrees to defend, indemnify and hold harmless the County, its appointed and elected officers, officials, agents and/or employees, from and against any and all loss or expense, including but not limited to claims, demands, actions, judgments, settlements, attorney's fees and/or costs by reason of any and all claims and demands upon the County, its appointed and elected officers, officials, agents and/or employees for damages because of personal or bodily injury, including death at any time resulting there from, sustained by any person or persons and on account of damage to property including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Provider, his/her Subcontractors, its successor or assigns, or its or their agent, servants, or employees, the County, its appointed and elected officers, officials, agents and/or employees, except only such injury or damage as shall have been occasioned by the sole negligence of the County, its appointed and elected officers, officials, agents and/or employees. It is further provided that no liability shall attach to the County by reason of entering into this Contract, except as expressly provided herein.

16. INDUSTRIAL INSURANCE WAIVER

With respect to the performance of this Contract and as to claims against the County, its appointed and/or elected officers, officials, agents and/or employees, the Provider expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, as now or hereafter amended, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this Contract extend to any claim brought by or on behalf of any employee of the Provider. Along with the other provisions of this Contract, this waiver is mutually negotiated by the parties to this Contract.

17. VENUE AND CHOICE OF LAW

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Contract, the venue of such action shall be in the courts of the State of Washington in and for the County of Clallam. This Contract shall be governed by the law of the State of Washington.

18. WITHOLDING PAYMENT

In the event the County Project Manager determines that the Provider has failed to perform any obligation under this Contract within the times set forth in this Contract, then the County may withhold from amounts otherwise due and payable to Provider the amount determined by the County

as necessary to cure the default, until the County Project Manager determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Provider to termination or damages, provided that the County promptly gives notice in writing to the Provider of the nature of the default or failure to perform, and in no case more than ten (10) days after it determines to withhold amounts otherwise due. A determination of the County Project Manager set forth in a notice to the Provider of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Provider acts within the times and in strict accord with the provision of the Disputes clause of this Contract. The County may act in accordance with any determination of the County Project Manager which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Provider, (3) to set off any amount paid or incurred from amounts due or to become due the Provider. In the event the Provider obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to the Provider by reason of good faith withholding by the County under this clause.

19. RIGHTS AND REMEDIES

The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

20. PROVIDER'S COMMITMENTS, WARRANTIES AND REPRESENTATIONS

Any written commitment received from the Provider concerning this Contract shall be binding upon the Provider, unless otherwise specifically provided herein with reference to this paragraph. Failure of the Provider to fulfill such a commitment shall render the Provider liable for damages to the County. A commitment includes, but is not limited to any representation made prior to execution of this Contract, whether or not incorporated elsewhere herein by reference, as to performance of services or equipment, prices or options for future acquisition to remain in effect for a fixed period, or warranties.

21. PATENT/COPYRIGHT INFRINGEMENT

Provider will defend, indemnify and hold harmless the County, its appointed and elected officers, officials, agents and/or employees from and against any and all loss or expense, including but not limited to claims, demands, actions, judgments, settlements, attorneys' fees and costs by reason of any and all claims and demands upon the County, its appointed and elected officers, officials, agents and/or employees for damages because of the Provider's alleged infringement of any patent or copyright. The Provider will pay those costs and damages attributable to any such claims that are finally awarded against the County, its appointed and elected officers, officials, agents and/or employees in any action. Such defense and payments are conditioned upon the following:

- a. That Provider shall be notified promptly in writing by County of any notice of such claim.
- b. Provider shall have the right, hereunder, at its option and expense, to obtain for the County the right to continue using the information, in the event such claim of infringement, is made, provided no reduction in performance or loss results to the County.

22. DISPUTES

- A. The parties to this Agreement shall resolve all disputes at the most relevant level. The Contractor shall bear responsibility for resolving any dispute that occurs between a client and the Contractor.
- B. Differences between the Contractor and the County, arising under and by virtue of the contract documents shall be brought to the attention of the County Coordinator at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The records, orders, rulings, instructions, and decision of the County Coordinator shall be final and conclusive thirty (30) days from the date of mailing unless the Contractor mails or otherwise furnishes to the County Coordinator a written notice of appeal. The notice of appeal shall include facts, law, and argument as to why the conclusions of the County Coordinator are in error.
- i. In connection with any appeal under this clause, the Contractor and County shall have the opportunity to submit written materials and argument and to offer documentary evidence in support of the appeal. Oral argument and live testimony will not be permitted. The original written materials will be submitted to the County Coordinator, who will then deliver the materials to a Dispute Resolution Board as described below. Copies of all written materials will be served upon the parties.
  - ii. If an appeal of the County Coordinator decision is timely received, the County and the Contractor shall convene a dispute resolution board comprised of one member nominated separately by each party, and a third member identified and agreed upon by the two members. If the two members together cannot agree upon the third member, the Contractor and County are to petition the Clallam County Superior Court to designate a third member. The Dispute Resolution Board will then attempt to resolve the dispute based upon the written materials provided by the County Coordinator.
  - iii. Reviews of the Dispute Resolution Board's determination may be brought in the Superior Court of Clallam County within fifteen (15) days of mailing of the Dispute Resolution Board's written decision. Pending a final decision in the Superior Court of Clallam County, the Contractor shall proceed diligently with the performance of this Agreement and in accordance with the decision rendered.
- C. Notice of Potential Claims: The Contractor shall not be entitled to additional compensation or to extension of time for (1) any act or failure to act by the County Coordinator or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.
- D. Detailed Claim: The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

## 23. OWNERSHIP OF ITEMS PRODUCED

All writings, programs, data, art work, music, maps, charts, tables, illustrations, records or other written, graphic, analog or digital materials prepared by the Provider and/or its consultants or

Subcontractors, in connection with the performance of this Contract shall be the sole and absolute property of the County and constitute "work made for hire" as that phrase is used in federal and/or state intellectual property laws and Provider and/or its agents shall have no ownership or use rights in the work.

24. RECOVERY OF PAYMENTS TO PROVIDER

The right of the Provider to retain monies paid to it is contingent upon satisfactory performance of this Contract, including the satisfactory completion of the project described in the Special Terms & Conditions [Exhibit "A"]. In the event that the Provider fails, for any reason, to perform obligations required of it by this Contract, the Provider may, at the County Project Manager's sole discretion, be required to repay to the County all monies disbursed to the Provider for those parts of the project that are rendered worthless in the opinion of the County Project Manager by such failure to perform.

Interest shall accrue at the rate of twelve percent (12%) per annum from the time the County Project Manager demands repayment of funds.

25. PROJECT APPROVAL

The extent and character of all work and services to be performed under this Contract by the Provider shall be subject to the review and approval of the County Project Manager. For purposes of this Contract, the County Project Manager is:

Name:  
Title:  
Address:  
E-mail:  
Fax:

In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the County Project Manager as to the extent and character of the work to be done shall govern subject to the Provider's right to appeal that decision as provided herein.

26. NON-DISCRIMINATION

The Provider shall not discriminate against any person on the basis of race, creed, political ideology, color, national origin, sex, marital status, sexual orientation, age, or the presence of any sensory, mental or physical handicap.

27. SUBCONTRACTORS

This is a fee-for-service Contract and the Provider will not enter into subcontracts for any of the work expected by this Contract without first obtaining review and written approval of the subcontract by the County.

In the event that the Provider employs the use of any Subcontractors with the written approval of the County, the Contract between the Provider and the Subcontractor shall provide that the Subcontractor bound by the terms of this Contract between the County and the Provider. The Provider shall ensure that in all subcontracts entered into, Clallam County is named as an express third-party beneficiary of such contracts with full rights as such.

28. THIRD PARTY BENEFICIARIES

This Contract is intended for the benefit of the County and Provider and not for the benefit of any third parties.

29. STANDARD OF CARE

The Provider shall perform its duties hereunder in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession as Provider currently practicing under similar circumstances. The Provider shall, without additional compensation, correct those services not meeting such a standard.

30. TIME IS OF THE ESSENCE

Time is of the essence in the performance of this Contract unless a more specific time period is set forth in either the Special Terms & Conditions or Scope of Work

31. NOTICE

Except as set forth elsewhere in the Contract, for all purposes under this Contract, except service of process, any notices shall be given by the Provider to the County Project Manager. Notice to the Provider for all purposes under this Contract shall be given to the person executing the Contract on behalf of the Provider at the address identified on the signature page.

32. SEVERABILITY

If any term or condition of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Contract are declared severable.

33. PRECEDENCE

In the event of an inconsistency in the Contract, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence, in the following order, to:

- Applicable federal, state, and local law, regulations, rules, and ordinances;
- the DSHS Basic Agreement;
- this Contract, including Exhibits;
- these General Terms & Conditions; and
- any document incorporated in the Contract by reference.

34. WAIVER

Waiver of any breach or condition of this Contract shall not be deemed a waiver of any prior to subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto.

35. ATTORNEY FEES

In the event that litigation must be brought to enforce the terms of this Contract, the prevailing party shall be entitled to be paid reasonable attorney fees.

36. CONSTRUCTION

This Contract has been mutually reviewed and negotiated by the parties and should be given a fair and reasonable interpretation and should not be construed less favorably against either party.

37. CORRECTIVE ACTION PROCESS

If the County finds evidence of potential non-compliance during the monitoring process or learns that the Provider is out of compliance with any of the terms or conditions of this Contract, the following process will be pursued:

- a. The County's DD Coordinator notifies the appropriate Provider staff of the potential non-compliance and an agreeable solution is reached.
- b. If the process described in (A) does not result in resolution, the County will establish a date when representatives of the County and Provider shall meet and discuss areas of contention and attempt to resolve the issues involved.

The County will provide by registered mail to the Provider's Director and Board President a written summary of the areas of non-compliance or potential non-compliance.

- c. Within twenty (20) calendar days of the date the written notification was mailed, a discussion between County and the Provider's Director or Board designee of the areas of non-compliance or potential non-compliance shall be conducted.
- d. If the County and the Provider cannot agree upon a resolution, the County shall withhold payments related to the area(s) of non-compliance or potential non-compliance, unless a written extension of the period to agree upon corrective action is issued by the County.
- e. Nothing in this section shall preclude audits by other duly authorized representatives of the County, the Department of Social and Health Services or other departments of State government, nor shall it preclude the recoupment of overpayments identified through those audit procedures.

38. EXECUTION, AMENDMENT AND WAIVER

The Contract shall be binding on the County only upon signature by the County Commissioners. The Contract may only be altered, amended, or waived by a written amendment executed by both parties. Only the County Commissioners have authority to alter, amend or waive the Contract on behalf of the County.

39. INSURANCE

The Provider shall maintain insurance as specified and shall pay for losses for which it is found liable. Without limiting the Provider's indemnification, it is agreed that the Provider shall maintain in force, at all times during the performance of this Contract, a policy or policies of insurance covering its operations and shall in each policy, name the County, its appointed and/or elected officers, officials, agents and/or employees as additional insureds.

The Provider shall maintain continuously during the term of this Contract public liability insurance with limits of liability not less than:

\$ 500,000	each person, personal injury, including death
\$1,000,000	each occurrence, personal injury, including death
\$ 250,000	each occurrence, property damage liability
\$2,000,000	aggregate

\$1,000,000	Errors and Omissions per occurrence
\$2,000,000	Errors and Omissions aggregate

The Provider shall inform the County in writing of any changes in insurance and provide County with a new certificate of insurance within twenty days of the change.

If the Errors and Omissions or Professional Liability insurance obtained is an occurrence policy as opposed to a claims-made policy, the Extended Reporting Period Endorsement is not required.

Any such policy of insurance the Provider is required to obtain and maintain pursuant to this Agreement shall be primary over any third-party liability coverage provided to Clallam County by and through its membership in the Washington Counties Risk Pool or WCRP. The third-party liability coverage provided by the WCRP to Clallam County shall be non-contributory with respect to any policy of insurance the Provider is required to obtain and maintain pursuant to this Agreement. The County shall have no obligation to report occurrences unless a claim or lawsuit is filed with it and the County has no obligation to pay any insurance premiums.

Evidence of primary insurance coverage shall be submitted to the County Project Manager within 20 days of the execution of the Agreement. The Agreement shall be void ab initio if the proof of coverage is not timely supplied.

If the proof of insurance or certificate of coverage indicating the County is an “additional insured” to a policy obtained by the Consultant in order to comply with this agreement refers to an endorsement (by number, abbreviation or name) but does not provide the full text of that endorsement, then it shall be the obligation of the Consultant to obtain the full text of that endorsement and forward that full text to the County within 30 days of the execution of this Agreement.

The coverage limits identified herein shall not limit the potential liability of the Provider and the Provider’s duty to defend, indemnify, and hold harmless shall apply to any liability beyond the scope of insurance coverage.

The County retains the right to withhold payment if the Provider does not provide timely and adequate proof of the insurance required by this Section.

The Provider shall ensure that vehicles used to transport participants as a part of services provided under this Contract are covered by a commercial vehicle insurance policy with a clear indication that clients may be transported by the provider and are covered under the policy. Further, each employee driving clients shall have their personal automobile insurance, driver’s license and current driving abstract on file at the Provider’s administrative office.

The Provider shall maintain Worker’s Compensation coverage as required by the Industrial Insurance Act of the State of Washington.

The Provider agrees to maintain a fidelity bond in the amount of Twenty Thousand Dollars (\$20,000) which covers all individuals responsible for the administration of funds. Evidence of the fidelity bond shall be provided to the County within thirty (30) calendar days of the date of this Contract. The Provider will inform the County in writing of any change in the bond and provide evidence of continuing bonding coverage within thirty (30) calendar days of the change.

#### 40. AUDITS

The Provider shall demonstrate the ability to safeguard public funds including maintaining books, records, documents and other materials relevant to the provision of goods and services.

Except as set forth herein, for contracts up to and including one year in length, an independent financial audit ("audit") of funds shall be performed. For contracts in excess of one year and up to and including two years, an independent financial review ("review") of funds shall be performed in the first year of the Contract and an audit shall be performed in the second year.

The Provider is required to submit to the County a copy of the independent auditor's or reviewer's final report within thirty (30) days following the issuance of the report. Additionally, the Provider shall provide comments on the findings and recommendations in the report, including a plan for Corrective Action.

The Provider will submit their plan for audit or review to the County by **September 1, 2019**, including time frame for completion of audit or review, standards by which they will be audited or reviewed, and the name of the individual or organization who will complete the audit or review, the Provider's total federal funding, and determination of the applicability of a Single Audit.

Audits and reviews must be submitted within the time frame described in the Provider's plan. Any audit or review must be in accordance with all applicable Federal and State statutes, as well as the State to County Basic Agreement.

Documentation and records shall be maintained to support levels of service billed. These records and supportive materials shall be available to the County upon request. Audits and reviews shall be conducted to determine compliance with the rules and regulations of each program service. In accordance with RCW 74.09.200, only those participant records or portions thereof, for which services were reimbursed by the County may be examined.

If the Provider is a subrecipient of federal awards as defined by the Office of Management and Budget (OMB), the Provider shall maintain records that identify all federal funds received and expended. Such funds shall be identified by the appropriate OMB Catalog of Federal Domestic Assistance numbers. The Provider shall make the Provider's records available for review or audit by officials of the federal awarding agency, the General Accounting Office, DSHS and the County. The Provider shall incorporate audit requirements into all contracts between the Provider and its Subcontractors who are subrecipients. The Provider shall comply with any future amendments to the Federal Code of Regulation for Single Audits and any successor or replacement Circular or regulation.

If the Provider expends \$750,000 or more in federal awards from any and/or all sources in any fiscal year beginning after June 30, 1996, the Provider shall procure and pay for a single or program-specific audit for that year. Upon completion of each audit, the Provider shall submit to the County contact person the data collections form and reporting package specified in the Federal Code of Regulation for Single Audits, reports required by the program specific audit guide, if applicable, and a copy of any management letters issued by the auditor.

Based upon findings of an audit, review, investigation, field visit, examination, or other proceedings, the County may order repayment of excess benefits or payments, plus interest on excess benefits and may assess civil penalties. Civil penalties may be assessed in an amount not to exceed three times the amount of excess benefits or payments as defined by RCW 74.09.210-280 for fraudulent or abusive practices.

#### 41. TREATMENT OF ASSETS PURCHASED BY PROVIDER

Except as provided in the Contract, title to all assets (property) purchased or furnished by the Provider is vested in the Provider and the County waives all claim of ownership to such property.

42. TREATMENT OF PARTICIPANT ASSETS

Except as otherwise provided by court order, the Provider shall ensure that any participant for whom the Provider is providing services under the Contract shall have unrestricted access to the participant's personal property. The Provider shall not interfere with the participant's ownership, possession, or use of such property. Upon termination of the Contract, the Provider shall immediately release to the participant all of the participant's personal property.

43. TREATMENT OF COUNTY ASSETS

Except as otherwise provided in the Contract, title to all assets (property) purchased or furnished by the County for use by the Provider during the Contract term shall remain with the County. During the term of the Contract, the Provider shall protect, maintain, and insure all County property in the Provider's possession against loss or damage.

44. TITLE XIX WAIVER PROVISIO

Participants identified as covered under Division of Developmental Disabilities' home and community-based waiver programs shall not be funded under this Contract when services are available from the Division of Vocational Rehabilitation under PL 94-142, Title V, Section 504 of the Rehabilitation Act of 1973 or under Social Security programs which assist with employment options under PL 99-643, Section 1619(a) Employment Opportunities for Disabled Americans Act, 1986, PASS or IRWE plans.

The Provider assures that documentation is on file with the County assigning to the County its Medicaid billing rights for services to participants eligible under DDA's home and community-based waivers. Such services must be purchased no differently from the way services are purchased for participants not eligible under the waiver. Services must be purchased on a Fee for Service basis to satisfy the Title XIX Contract.

45. HEALTH INSURANCE PORTABILITY and ACCOUNTABILITY ACT of 1996 (HIPAA)

In addition to any other confidentiality requirements set forth herein, the Provider shall comply with the following provisions if it constitutes a "business associate" as that term is defined in 45 CFR §160.103, as now or hereafter amended.

- a. The Provider is not authorized to use or further disclose "Protected Health Information" (PHI) as that phrase is defined in 45 CFR § 164.501, as now or hereafter amended, in a manner that would violate the requirements of 45 CFR § 165.504(e), as now or hereafter amended, if done by the Clallam County, except that:
  - (1) The Provider may use and disclose PHI for the proper management and administration of the Provider, as provided in paragraph 45 CFR § 164.504(e)(4); and
  - (2) The Provider may provide data aggregation services relating to the health care operations of Clallam County.
- b. The Provider will:
  - (1) Not use or further disclose the information other than as permitted or required by this Contract or as required by law;
  - (2) Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by this Contract;
  - (3) Report to Clallam County any use or disclosure of the information not provided for by this Contract of which it becomes aware;

- (4) Ensure that any agents, including a Subcontractor to whom it provides PHI received from, or created or received by the Provider on behalf of, Clallam County agrees to the same restrictions and conditions that apply to the Provider with respect to such information;
  - (5) Make available PHI in accordance with 45 CFR § 164.524;
  - (6) Make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR §164.526;
  - (7) Make available the information required to provide an accounting of disclosures in accordance with 45 CFR § 164.528;
  - (8) Make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Provider on behalf of, Clallam County available to the Secretary for purposes of determining Clallam County's compliance with this subpart; and
  - (9) At termination of the Contract, if feasible, return or destroy all PHI received from, or created or received by the Provider on behalf of, Clallam County that the Provider still maintains in any form and retain no copies of such information or, if such return or destruction is not feasible, extend the protections of the Contract to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.
- c. In addition to any other termination clause herein, this Contract may be terminated by Clallam County if Clallam County determines that the Provider has violated a material term of this provision.
  - d. The Provider may use the information it has received in its capacity as a business associate to Clallam County, if necessary:
    - (1) For the proper management and administration of the Provider; or
    - (2) To carry out the legal responsibilities of the Provider.
  - e. The Provider may disclose the information it has received in its capacity as a business associate for the purposes described in 4 of this section, if:
    - (1) The disclosure is required by law; or
    - (2) (a) The Provider obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person; and
    - (b) The person notifies the Provider of any instances of which it is aware in which the confidentiality of the information has been breached.

46. SURVIVAL

Without being exclusive, Paragraphs 7, 10, 16-22, 24-25 and 34-37 of these General Terms & Conditions shall survive any termination, expiration or determination of invalidity of this Contract in whole or in part. Any other Paragraphs of this Contract which, by their sense and context, are intended to survive shall also survive.

47. ENTIRE CONTRACT

This written Contract represents the entire Contract between the parties and supersedes any prior statements, discussions or understandings between the parties except as provided herein.

48. DEBARMENT CERTIFICATION

The Provider, by signature to this Agreement, certifies that the Provider is not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or voluntarily excluded from participating in this Agreement or any Program Agreement by any Federal or State department or agency.

49. BACKGROUND/CRIMINAL HISTORY CHECK

A background criminal history clearance is required every three years for all employees, subcontractors, and/or volunteers who may have unsupervised access to vulnerable DSHS participants, in accordance with RCW 43.43.830-845, RCW 74.15.030 and chapter 388.06 WAC. Character Competence and Suitability Reviews, if required, will be updated every three years.

If the entity reviewing the application elects to hire or retain an individual after receiving notice that the applicant has a conviction for an offense that would disqualify the applicant from having unsupervised access to vulnerable adults as defined in Chapter 74.34 RCW, then the County shall deny payment for any subsequent services rendered by the disqualified individual provider.

It is required that the DSHS Background Check Central Unit (BCCU) be utilized to obtain background clearance.

50. REPORTING ABUSE AND NEGLECT

The Provider and its subcontractors under this contract will comply with RCW 74.34 and RCW 26.44 to the extent required by law. If the County is notified by DSHS that a Provider (or any of their staff, volunteers or authorized agents) is cited or on the registry for a substantiated finding, then associated staff will be prohibited from providing services under this contract.

“Exhibit C”

## Data Security Requirements

1. Definitions. The words and phrases listed below, as used in this Exhibit, shall each have the following definitions:
  - a. **“AES” means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (<http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf>).**
  - b. **“Authorized Users(s)” means an individual or individuals with a business need to access DSHS Confidential Information, and who has or have been authorized to do so.**
  - c. **“Category 4 Data” is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. For purposes of this contract, data classified as Category 4 refers to data protected by: the Health Insurance Portability and Accountability Act (HIPAA).**
  - d. **“Cloud” means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iCloud, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, O365, and Rackspace.**
  - e. **“Encrypt” means to encode Confidential Information into a format that can only be read by those possessing a “key”; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 128 bits (256 preferred and required to be implemented by 6/30/2020) for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.**
  - f. **“Hardened Password” means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.**
  - g. **“Mobile Device” means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.**
  - h. **“Multi-factor Authentication” means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. “PIN” means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.**

- i. **“Portable Device”** means any computing device with a small form factor, designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.
  - j. **“Portable Media”** means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes, optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.
  - k. **“Secure Area”** means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.
  - l. **“Trusted Network”** means a network operated and maintained by the Contractor, which includes security controls sufficient to protect DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.
  - m. **“Unique User ID”** means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
2. **Authority.** The security requirements described in this document reflect the applicable requirements of Standard 141.10 (<https://ocio.wa.gov/policies>) of the Office of the Chief Information Officer for the state of Washington, and of the DSHS Information Security Policy and Standards Manual. Reference material related to these requirements can be found here: <https://www.dshs.wa.gov/fsa/central-contract-services/keeping-dshs-client-information-private-and-secure>, which is a site developed by the DSHS Information Security Office and hosted by DSHS Central Contracts and Legal Services.
3. **Administrative Controls.** The Contractor must have the following controls in place:
- a. A documented security policy governing the secure use of its computer network and systems, and which defines sanctions that may be applied to Contractor staff for violating that policy.
  - b. If the Data shared under this agreement is classified as Category 4 data, the Contractor must be aware of and compliant with the applicable legal or regulatory requirements for that Category 4 Data.
  - c. If Confidential Information shared under this agreement is classified as Category 4 data, the Contractor must have a documented risk assessment for the system(s)

**housing the Category 4 Data.**

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

- h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Contractor's network), mitigate risk and enforce password and logon requirements for users by employing measures including:
  - (1) Ensuring mitigations applied to the system do not allow end-user modification. Examples would include but not be limited to installing key loggers, malicious software, or any software that will compromise DSHS data.
  - (2) Not allowing the use of dial-up connections.
  - (3) Using industry standard protocols and solutions for remote access. Examples include, but are not limited to RADIUS Microsoft Remote Desktop (RDP) and Citrix.
  - (4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.
  - (5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.
  - (6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point. All Contractors must be in compliance by 6/30/2020.
- i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:
  - (1) The PIN or password must be at least 5 letters or numbers when used in conjunction with at least one other authentication factor
  - (2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)
  - (3) Must not contain a "run" of three or more consecutive numbers (12398, 98743 would not be acceptable)
- j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:
  - (1) Be a minimum of six alphanumeric characters.

- (2) Contain at least three unique character classes (upper case, lower case, letter, number).
  - (3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.
- k. Render the device unusable after a maximum of 10 failed logon attempts.

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

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

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 8 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.

- c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network

using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

- e. **Paper documents.** Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.
- f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor's staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.
- g. **Data storage on portable devices or media.**
  - (1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:
    - (a) Encrypt the Data.
    - (b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.
    - (c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
    - (d) Apply administrative and physical security controls to Portable Devices and Portable Media by:
      - i. Keeping them in a Secure Area when not in use,
      - ii. Using check-in/check-out procedures when they are shared, and
      - iii. Taking frequent inventories.
  - (2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under the physical control of

Contractor staff with authorization to access the Data, even if the Data is encrypted.

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

- (1) DSHS Confidential Information may be stored on Portable Media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.
  - (2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.
- i. Cloud storage.** DSHS Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither DSHS nor the Contractor has control of the environment in which the Data is stored. For this reason:
- (1) DSHS Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:
    - (a) Contractor has written procedures in place governing use of the Cloud storage and Contractor attest to the contact listed in the contract and keep a copy of that attestation for your records in writing that all such procedures will be uniformly followed.
    - (b) The Data will be Encrypted while within the Contractor network.
    - (c) The Data will remain Encrypted during transmission to the Cloud.
    - (d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.
    - (e) The Contractor will possess a decryption key for the Data, and the decryption key will be possessed only by the Contractor.
    - (f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on the contractor network.

(g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within the contractor's network.

(2) Data will not be stored on an Enterprise Cloud storage solution unless either:

(a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,

(b) The Cloud storage solution used is HIPAA compliant.

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

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

a. Systems containing DSHS Data must have all security patches or hotfixes applied within 3 months of being made available.

b. The Contractor will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.

c. Systems containing DSHS Data shall have an Anti-Malware application, if available, installed.

d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

**7. Data Segregation.**

a. DSHS category 4 data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.

(1) DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS Data.

(2) DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data.

(3) DSHS Data will be stored in a database which will contain no non-DSHS data.  
And/or,

- (4) DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.
- (5) When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.
- b. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

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

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

**9. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared Data must be reported to the DSHS Contact designated in the Contract within one (1) business day of discovery. If no DSHS Contact is designated in the Contract, then the notification must be reported to the DSHS Privacy Officer at [dshsprivacyofficer@dshs.wa.gov](mailto:dshsprivacyofficer@dshs.wa.gov). Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.

- 10. Data shared with Subcontractors.** If DSHS Data provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract. If the Contractor cannot protect the Data as articulated within this Contract, then the contract with the sub-Contractor must be submitted to the DSHS Contact specified for this contract for review and approval.

**ASSURANCE OF COMPLIANCE WITH  
THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
REGULATION UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

\_\_\_\_\_(Hereinafter called the "Applicant")  
(Name of Contractor)

HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Department of Health, Education, and Welfare (45 CFR Part 80) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant received Federal financial assistance from the Washington State Department of Social and Health Services and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Washington State Department of Social and Health Services, this assurance shall obligate the Applicant, or in the case of any transfer of such property, and transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Applicant for the period during which the Federal financial assistance is extended to it by the Department.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Applicant by the Washington State Department of Social and Health Services, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Applicant recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Applicant.

\_\_\_\_\_

\_\_\_\_\_

Date

Applicant Signature  
Applicant Name & Title: \_\_\_\_\_

By: (President, Chairman of Board,  
60

or comparable Authorized Official)

**ASSURANCE OF COMPLIANCE WITH  
SECTION 504 OF THE REHABILITATION  
ACT OF 1973**

, hereinafter called the "Contractor" agrees that it will comply with Section 504 of the Rehabilitation Act of 1973 and all requirements imposed by or pursuant to that Section to the end that no person shall, on the basis of disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, service, or activity provided by the Contractor to the Department of Social and Health Services. This Assurance is binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the recipient. The Contractor also assures that it will immediately take any necessary measures to effectuate this agreement.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

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

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

Address:

Authorized Official: \_\_\_\_\_

For contractors with 8 or more employees, indicate the name(s) of person(s) designated as coordinator of Section 504 compliance effort for the contractor.

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

Phone: \_\_\_\_\_

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

Phone: \_\_\_\_\_

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS**

Primary Covered Transactions 45 CFR 76

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principles:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
  - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connections with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
  
2. Where the prospective primary participants are unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

This Certification is executed by the person(s) signing below who warrant they have authority to execute this Certification.

**CONTRACTOR:**

\_\_\_\_\_  
Signature

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

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

DATE: \_\_\_\_\_

## **CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and believe 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 an 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, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Contractor Organization

Signature of Certifying Official

Date

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

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