



When recorded deliver to:

**Marian Sheppard, Chief Deputy Clerk
Gila County Board of Supervisors
(11/25/08 #2)**



CAPTION HEADING:

**Intergovernmental Agreement
Between
Gila County
and
Arizona Health Care Cost Containment System Administration
Contract No. YH08-0080-02**

DO NOT REMOVE

This is part of the official document



INTERGOVERNMENTAL AGREEMENT

Between
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
(AHCCCS)
And
GILA COUNTY (COUNTY)

WHEREAS, AHCCCS is duly authorized to execute and administer Agreements under A.R.S. § 36-2903 *ET Seq.* and § 36-2932 *et seq.* and

WHEREAS, Gila County, (hereinafter referred to as “County”) is duly authorized to enter into this Agreement under A.R.S. §§ 11-251 *et seq.* and

WHEREAS, AHCCCS, and the County are authorized by A.R.S. § 11-951 *et seq.* to enter into Intergovernmental Agreements for cooperative action pertaining to reimbursement or advancements of funds for services performed; and

WHEREAS, THE County and AHCCCS wish to enter into this Agreement in order to establish procedures to permit AHCCCS to pay for Medical services that qualify for Federal Financial Participation (FFP) provided to Inmates of the County jail detention facilities or other penal facilities.

NOW, THEREFORE, County and AHCCCS (collectively, the “Parties”), pursuant to the above and in consideration of the matters and things hereinafter set forth, do mutually agree as follows:

- 1.0 **DEFINITIONS:** Unless otherwise defined in this Agreement, all terms shall have the same meaning as set forth in Title 36 of the Arizona Revised Statutes.
 - 1.1 **AAC:** Arizona Administrative Code
 - 1.2 **ADES:** Arizona Department of Economic Security
 - 1.3 **Agreement:** This document, together with any and all attachments, appendices, exhibits, schedules and future amendments as agreed to by the Parties.
 - 1.4 **AHCCCS:** Arizona Healthcare Cost Containment System
 - 1.5 **AHCCCS Provider Manual:** The Fee-for-Service Provider Manual promulgated by AHCCCS. The AHCCCS Provider Manual is available on-line at <http://www.azahcccs.gov/Publications/GuidesManuals/provman/index.asp>
 - 1.6 **Applicant:** A person who submits, or whose authorized representative submits a written, completed, signed, and dated eligibility application for AHCCCS benefits.
 - 1.7 **ARS:** Arizona revised Statutes

- 1.8 **CFR:** United States Code of Federal regulations, the official compilation of Federal rules and requirements.
- 1.9 **County:** Gila County, a county of the State of Arizona. Under this agreement, the County, on behalf of the Gila County Sheriff Office Medical Department.
- 1.10 **CMS:** Centers for Medicare and Medicaid Services, a Federal agency within the U.S. Department of Health and Human Services.
- 1.11 **CMS-37:** A report providing the State estimate of the quarterly award from the Federal government.
- 1.12 **Day:** A calendar day, unless specified otherwise.
- 1.13 **Documentation:** Copies of evidence that support an Applicant's eligibility determination. Documentation includes, but is not limited to, any of the following: birth certificates, death certificates, court orders, insurance policies, pay stubs, award letters, medical bills, expenses, letters and responses from collateral sources, Applicant's authorization to share the eligibility information and the County's or AHCCCS' entries in case records.
- 1.14 **Emergency Medical Services:** Services provided to treat a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain that the absence of immediate medical attention could reasonably be expected to result in any of the following:
- 1.14.1 labor and delivery;
 - 1.14.2 placing the patient's health in serious jeopardy
 - 1.14.3 serious impairment to bodily functions; or
 - 1.14.4 serious dysfunction of any bodily organ or part.
- 1.15 **Exparte Inmate Eligibility Determination:** A determination of Inmate eligibility made by AHCCCS after the person is released from a jail, detention facility or other penal facility and is no longer an Inmate at the time of the eligibility determination.
- 1.16 **Federal Emergency Services Program (FESP):** A Federal emergency services program covered under AAC R9-22-217, to treat an emergency medical condition for an Applicant who is determined eligible under A.R.S § 36-2903.03(D).
- 1.17 **Federal Financial Participation (FFP):** Federal Financial Participation refers to the Federal matching rate that the Federal government makes to the Title XIX program portion of AHCCCS, which are the monies that AHCCCS can claim from CMS for the Federal share of AHCCCS Program service and administration costs.



- 1.18 **IBNR:** Incurred But Not Reported claims refers to claims with dates of service within the effective dates of this Agreement but which have not been invoiced or recorded in the AHCCCS claims system.
- 1.19 **IMD:** Institution for Mental Disease as defined in 42 CFR 435.1010.
- 1.20 **Inmate:** A person, either adult or juvenile, who is living in a County jail, detention facility, or other penal facility, or in a Medical Institution where but for an illness or an injury, the person would be living in a County jail or detention facility or other penal facility, and who may be eligible for FFP payment as determined by AHCCCS.
- 1.21 **Inpatient:** A patient who has been admitted to a Medical Institution as an inpatient as defined in 42 CFR 435.1010. An Inpatient is a patient who has been admitted to a Medical Institution as an inpatient on recommendation of a physician or dentist and who:
- 1.21.1 receives room, board and professional services in the institution for a 24 hour period or longer; or
 - 1.21.2 is expected by the institution to receive room, board and professional services in the institution for a 24 hour period or longer even though it later develops that the patient dies, is discharged or is transferred to another facility and does not actually stay in the institution for 24 hours.
- 1.22 **Medical Institution:** Any facility, including IMDs providing FFP qualifying services, that is engaged in the delivery of health care services and is authorized to do so by the state in which those services are delivered. Medical Institution means an institution that:
- 1.22.1 is organized to provide medical care, including medical, surgical, psychiatric, nursing and convalescent care;
 - 1.22.2 has the necessary professional personnel, equipment, and facilities to manage the medical, nursing, and other health needs of patients on a continuing basis in accordance with accepted standards;
 - 1.22.3 is authorized under State law to provide medical care; and
 - 1.22.4 is staffed by professional personnel who are responsible to the institution for professional medical and nursing services. The services must include adequate and continual medical care and supervision by a physician; registered nurse or licensed practical nurse supervision and services and nurses' aid services, sufficient to meet nursing care needs; and a physician's guidance on the professional aspects of operating the institution.



- 1.23 **Medical Services:** Services provided by a medical provider in the community, including Medical Institution. Medical Services includes, but is not limited to, medical, surgical, psychiatric, diagnostic, and specialty physician services.
- 1.24 **Member:** An Inmate who qualifies for Title XIX coverage.
- 1.25 **Provider:** Any individual or entity that is engaged in the delivery of health care services and that is authorized to do so by the state in which those services are delivered.
- 1.26 **Recipient:** A person who has been determined eligible to receive AHCCCS benefits.
- 1.27 **Review:** An analysis of all factors affecting a family's or person's eligibility.
- 1.28 **State:** The State of Arizona.
- 1.29 **State Match:** The percentage of payment for health services usually paid by the State; but under this contract paid to the State by County to qualify for FFP.
- 1.30 **Subcontract:** Any contract or agreement between the County and a third party to provide, or be accountable for providing a service.
- 1.31 **Title XIX:** That section of the Social Security Act that authorizes the Medicaid Program.

2.0 **PURPOSE:**

The purpose of this Agreement is for AHCCCS and the County to jointly develop and mutually agree to an eligibility application and determination process that complies with both Federal and State laws, regulations, rules and appropriate CMS approval and to adjudicate and pay claims for covered services provided to Members in accordance with Federal and State laws, regulations, and rules. This Agreement is entered into pursuant to A.R.S. § 36-2903 to provide AHCCCS with the appropriate State Match in order to pay for Medical Services that qualify for FFP provided to Inmates who qualify for Title XIX while they are an inpatient in a Medical Institution. It also provides AHCCCS with the funds to pay for administrative costs associated with this Agreement.

3.0 **SCOPE:**

- 3.1 Eligibility Requirements and Application Process: When required to determine a non-citizens eligibility for FFS only, the disability determination will be made by ADES, Disability Determination Services Administration (DDSA), pursuant to an agreement between AHCCCS and ADES, for an additional cost to the County as set forth in Attachment A to this Agreement.



3.2 Claims Processing And Payment:

3.2.1 AHCCCS Administration and the County will jointly develop and mutually agree to a claims processing and payment process that complies with both Federal and State laws, regulations, and rules; and is not in conflict with the provisions of this contract.

3.2.2 AHCCCS will process and pay clean claims in accordance with AHCCCS policies and procedures.

3.3 Mutual Data Exchange: Subject to the confidentiality rules specified in AAC R9-22-512, 42 CFR Part 431, Subpart F, and 45 CFR, Parts 160 and 164, AHCCCS and County will timely provide to each other any information that may be required for program administration. Upon the request of either party, AHCCCS and the County will meet to address any issues regarding the transmission of information, identify corrective actions required, and monitor the effectiveness of the corrective actions. The County and AHCCCS will cooperate with all parties in the corrective actions. The County and AHCCCS will cooperate with all parties in the determination of an Applicant's eligibility for the Program, including supplying any needed information. AHCCCS and the County shall provide the information to each other in a timely manner.

3.4 Contact Information:

3.4.1 AHCCCS:
Questions, comments and concerns regarding the duties and responsibilities of the AHCCCS shall be directed to:

Eligibility Determination:

Linda Skinner, Assistant Director DMS
AHCCCS
801 E. Jefferson, MD 2500
Phoenix, AZ 85034
Phone: 602-417-4635
Fax: 602-253-0938
E-Mail: Linda.Skinner@azahcccs.gov

Claims Processing and Payment:

John Molina, M.D., Medical Director/Assistant Director DFSM
AHCCCS 801 E. Jefferson, MD 8500
Phoenix, AZ 85034
Phone: 602-417-4831
Fax: 602-254-1769
E-Mail: John.Molina@azahcccs.gov



3.4.2 The County:

Questions, comments and concerns regarding the duties and responsibilities of the County shall be directed to:

Sgt. Linda Carnahan
Gila County Jail
1100 South Street
P.O. Box 311
Globe, AZ 85502
Phone: 928-402-8637
lcarnahan@co.gila.az.us

Richard Hobson, PA-C, Medical Director
Gila County
1400 E. Ash
Globe, AZ 85501
Phone: 978-402-1876
Fax: 928-402-0075
RHobson@CO.Gila.AZ.US

3.5 AHCCCS Rights and Obligations:

3.5.1 Eligibility Decision:

3.5.1.1 AHCCCS / ADES shall determine the eligibility of Inmates who apply for Title XIX while an Inpatient in an acute hospital and not in a separate county or contracted hospital unit that houses only county/state inmates. An eligibility determination for non-citizens who do not qualify for full Medical Services will be completed when the services qualify under A.R.S § 36-2903.03 (D) as an emergency service and when required, the County agrees to pay the cost of any DDSA determination in the amount set forth in Attachment A this Agreement. The eligibility determination may also include an Exparte Inmate Eligibility Determination when appropriate. The County is not financially liable for an Exparte Eligibility Determination.

3.5.1.2. AHCCCS/ADES shall contact the County, as appropriate and consistent with applicable privacy laws, to obtain additional information required to complete an Applicant's application and to determine the person's ongoing eligibility.

3.5.1.2 AHCCCS/ADES shall issue a decision notice to the Applicant and a copy to the County in accordance with the confidentiality rules of Title XIX.



3.5.2 Payment for Services in Agreement:

Payments made to AHCCCS by the County pursuant to this Agreement are conditioned upon the availability of the County funds authorized for expenditure in the manner and for the purpose(s) stated herein. AHCCCS is not liable for any purchases of subcontracts entered into by the County in anticipation of such funding. AHCCCS is not responsible for any payments to a Medical Institution or Provider for claims submitted under this Agreement if the County has not provided the State Match for such payments.

Notwithstanding the provisions of paragraph 3.8.1, AHCCCS and the County agree that changes in the claims processing and payment procedures that do not have a monetary effect may be made from time to time by mutual written agreement of the Assistant Director of AHCCCS and the County. Such changes shall become effective and binding without execution of an amendment to this Agreement.

3.5.3 AHCCCS Payment Recoupment from Medical Institutions and Providers:

3.5.3.1 AHCCCS shall require Medical Institutions and Providers submitting claims to reimburse AHCCCS upon demand or AHCCCS shall deduct from future payments to the Medical Institutions or Providers any amount:

3.5.3.1.1 received by a Medical Institution or Provider from AHCCCS for Agreement services that have been inaccurately reported or paid or are found to be for an excluded service; or

3.5.3.1.2 paid by AHCCCS for which a Medical Institution's or Provider's books, records, and other documents are not sufficient to clearly confirm that those amounts were used by the Medical Institution or Provider to perform billed services; or

3.5.3.1.3 identified as a questioned cost as the result of a financial management review or audit.

3.5.3.2 For purposes of this Agreement only, the County is responsible to reimburse AHCCCS for payments for services rendered that are not eligible for Federal financial participation (FFP) if AHCCCS is unable to recoup payments from the Medical Institutions or Providers. The County is not responsible for services where AHCCCS failure to recoup payments from Medical Institutions and Providers is due to AHCCCS' negligence or inattention.



- 3.5.3.3 If an Inmate is not AHCCCS eligible, and if the County is legally required to pay the medical expenses for the Inmate, the County shall pay Medical Institutions or Providers for services rendered if AHCCCS has recouped funds. This section does not obligate the County to pay a Medical Institution or Provider in excess of the terms of a contract between the County and a Medical Institution or Provider, or, where there is no contract, the actual cost of care.
- 3.5.4 Monitoring: AHCCCS shall monitor services covered by this Agreement that are provided by any Medical Institution, Provider, or any Provider subcontractor to ensure compliance with the AHCCCS Provider Manual.
- 3.5.5 Visitation, Inspection and Copying: After the date of this Agreement, all related County contracts with Medical Institutions, Providers and Providers' subcontractors shall require that the Medical Institution's, Provider's or a subcontractor's facilities, services, books, accounts, reports, files, and other records directly related to this Agreement shall be subject at all reasonable times to visitation, inspection, and copying by AHCCCS and any other appropriate agent of State or Federal government for five (5) years after completion of this Agreement. Such records shall be available at the Medical Institution's, Provider's, or a subcontractor's offices or shall be produced at the AHCCCS main office or any other office designated by AHCCCS.

3.6. County's Rights and Obligations

3.6.1 Application for Title XIX:

- 3.6.1.1 The County shall assist Inmates who potentially qualify for Title XIX coverage while an Inpatient in an acute hospital, with the AHCCCS application process. Before assisting an individual with the application process, County shall obtain the Inmates' authorization to apply for AHCCCS in accordance with AAC R9-22-1406.
- 3.6.1.2 The County shall obtain the Applicant's authorization for AHCCCS to release eligibility information to the County and the County shall maintain the confidentiality of the Applicant's records in accordance with AAC R9-22-152.
- 3.6.1.3 The County shall attempt to obtain the required Documentation to establish eligibility for the budget month and to assist the AHCCCS Administration or the ADES in obtaining any information required for the Inmate's ongoing eligibility.
- 3.6.1.4 When authorized by an Inmate to assist with the application, the County shall take the application and obtain the Applicant's



signature in the month of the hospital stay. The completed application, all verification and Documentation will be submitted to AHCCCS during the first week of the month following the month of application. For cases in which additional time is needed to collect appropriate verification and/or Documentation, the County will submit the application as soon as the Documentation is complete, but no later than the 15th of the month following the month of application. The month of application is the month in which the inpatient service is received and the appropriate party signs the application.

3.6.2 Advance payment for Medical Services and Administrative Costs by the County:

3.6.2.1 Quarterly estimates of the State Match payments for program services will be determined by the County within 30 days prior to the beginning of each quarter of the County's fiscal year. Based on these estimates, the County shall pay AHCCCS the estimated amount on or before the last business day of the first month of each quarter.

3.6.2.2 Quarterly transfer amount of the State Match for the administrative costs of this Agreement will be determined by the County within 30 days prior to the beginning of the quarter. The charge per application or claim for administrative costs is estimated to be as shown in Attachment A.

3.6.2.3 If the actual cost for the administrative review and handling is less than the amounts listed in Attachment A for per application or claim, AHCCCS shall reduce the charge for administrative costs to reflect the actual costs. Charges for administrative costs in excess of the amounts listed above may only be assessed by written agreement of the Parties. Payment will be made on or before the last business day of the first month of the quarter.

3.6.2.4 AHCCCS shall deposit the quarterly payments made by the County into a separate account (the State Match Fund). All funds in the State Match Fund are the property of the County until withdrawn by AHCCCS to pay the State Match on a claim. Fifteen days prior to the beginning of each quarter, AHCCCS shall inform the County of the State Match Fund balance. Notwithstanding the previous sentence, AHCCCS shall immediately inform the County if, at any time, the State Match Fund contains less than \$10,000. In the event the State Match Fund falls below \$10,000, County shall pay into the State Match Fund sufficient money to increase the Fund to \$10,000. Except as provided in Section 3.7.5 below, any amount in the State Match Fund that is not expended at the end of a quarter shall be applied to



the payment for the subsequent quarter, and AHCCCS shall reduce the estimate for the subsequent quarter by such amount. If at any time this Agreement is terminated by either party, any money remaining in the State Match Fund shall be returned to the County after the claim submission deadline, as of the date of termination..

3.6.2.5 The County shall bear the administrative cost of any appeal process requested by the County of deferred or disallowed claims.

3.6.3 AHCCCS Recoupment from the County: In the event CMS modifies its methodology for allocating FFP, the County shall be responsible for the Federal portion of deferred or disallowed claims and any interest charged thereon pursuant to 42 CFR 433.38, subject to the payment limitations in Sections 3.5.3.2.

3.7 General Financial Responsibilities:

3.7.1 Quarterly Program Expenditure estimates: The County shall submit to the State a quarterly estimate of expenditures to be used for the development of the CMS-37. The estimates shall be submitted to the State thirty (30) days after the end of each quarter unless otherwise determined by Federal requirements.

3.7.2 AHCCCS Reporting:

3.7.2.1 Quarterly Expenditures Report. AHCCCS shall submit to the County reports that show actual quarterly program expenditures made pursuant to this Agreement. Each report shall detail the amount expended of State Match funds provided by the County and the matching FFP funds, and the administrative fees AHCCCS charged to the County. The expenditure reports shall be submitted within thirty (30) days after the end of each quarter.

3.7.2.2 Claims Paid Report. AHCCCS shall provide a report to the County reporting the claims paid by AHCCCS. The report will be produced weekly, monthly or quarterly if necessary depending on the frequency of claims paid.

3.7.3 AHCCCS Annual Reconciliation with the County:

3.7.3.1 AHCCCS shall provide to the County an annual report showing the actual amounts claimed and paid under this Agreement. This report shall also show any and all amounts paid in advance using estimate reports.

3.7.3.2 AHCCCS shall reconcile the actual amounts paid against the County's AHCCCS estimates and advanced payments for the twelve month period of the state fiscal year. This reconciliation



shall be completed within ninety (90) days of the end of the state fiscal year.

3.7.3.3 If any monies are due the County, these will be applied to the next quarterly payment.

3.7.4 Insufficient Appropriation: If at any time during the term of the Agreement, the County determines that the money the County budgeted to meet its obligations under this Agreement is insufficient, the County shall notify AHCCCS in writing and shall include in the notice recommendations as to the resolution of the shortage.

3.7.5 Unused Funds: After the close of each State of Arizona fiscal year and the administrative adjustment period, upon request of the County, any funds remaining in the State Match Fund, shall be returned to the County upon agreement and acceptance of the adjusted fourth quarter expenditure report which is due ninety (90) days after the State fiscal year-end in accordance with A.R.S. § 35-190, *et seq.* It is understood that if any valid INBR claim appears after funds are returned to the County, the County is still responsible for payment within the terms of this agreement.

3.7.6 County Annual Budget Submissions: The County shall provide AHCCCS with projected funding requirements for this Agreement by July 31 of each new fiscal year to allow AHCCCS to request the appropriate amount of Federal authority.

3.7.7 County Budget Revisions: Any revisions to expenditure projections shall be expeditiously forwarded to AHCCCS as soon as the need for revision becomes known to the County in order for AHCCCS to adjust the Federal cash projections to CMS.

3.8 General Provisions:

3.8.1 Amendments: This Agreement may be modified only through a written amendment, signed by the authorized signatory whenever:

3.8.1.1 the Agreement period is changed;

3.8.1.2 there is a change in Agreement services, the service delivery, methodology, or the level of service; or

3.8.1.3 the parties mutually agree to any other changes in the terms and conditions of this Agreement.

Notwithstanding Section 3.8.1, above, AHCCCS and the County shall give notice to each other of any change in:
address;
telephone number



authorized signatory or designee; or
name and/or address of the person to whom notices are to be sent.

- 3.8.2 Arbitration: The Parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).
- 3.8.3 Audits and Inspections: Pursuant to A.R.S. 35-214 at any time during the term of this Contract, and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontracts.
- 3.8.4 Compliance with Laws, Rules and Regulations: AHCCCS, the County and their subcontractors shall comply with all applicable Federal and State laws, rules, regulations, standards and executive Orders, without limitation to those designated within this Agreement. The laws and regulations, of the State shall govern the rights of the Parties, the performance of this Agreement, and any disputes hereunder.
- 3.8.5 Compliance with the Federal Immigration and Nationality Act (FINA) and All Other Federal Immigration Laws and Regulations related to Immigration Status of its Employees:

By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer, upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USACIS.GOV.

The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.



Additionally, as Independent Contractors the State and the COUNTY warrant compliance with immigration and anti-terrorism law

- 3.8.5.1 The Independent Contractors and each subcontractor warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. Section 23-214, subsection A (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.)
 - 3.8.5.2 A breach of warranty under paragraph 3.8.6.1 (above) shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract.
 - 3.8.5.3 The COUNTY and the State both retain the legal right to inspect the papers of any employee or subcontractor employee who works on the contract to ensure that the employee or subcontractor(s) is complying with the warranty provided under paragraph 3.8.6.1 (above).
 - 3.8.5.4 Failure to comply with a State or COUNTY audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.
 - 3.8.5.5 Per A.R.S. §35-391, the Independent Contractors hereby warrant that they are in compliance with the Export Administration Act and not on the Excluded Parties List.
- 3.8.6 Confidentiality: AHCCCS, the County, and their subcontractors shall observe and abide by all applicable State and Federal statutes and regulations including the Health Insurance Portability and Accountability Act, (HIPAA), and regarding use or disclosure of information, including, but not limited to, information concerning Applicants for and Recipients of AHCCCS services. The County shall establish and maintain procedures and controls that are acceptable to the State for the purpose of assuring that no information contained in its records or obtained from the State or from others carrying out its functions under the Agreement shall be used by or disclosed by it, its agents, officers, or employees except as required to efficiently perform duties under the agreement. Persons requesting such information shall be referred to AHCCCS. The County also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the County as needed for the performance of duties under the Agreement, unless otherwise agreed to in writing by AHCCCS.



- 3.8.7 Continuation of Performance through Termination: AHCCCS and the County shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as specified in the termination notice.
- 3.8.8 Contract Term: The term of this Agreement is for one (1) year from the date of this Agreement, with AHCCCS reserving the right to offer to renew up to four (4) additional one-year terms or any portion thereof. The date of this Agreement is the date this Agreement is signed by both parties. This Agreement shall be effective upon execution.
- 3.8.9 Entire Agreement: This document, its attachments and appendices, including any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the Parties, and supersedes all other understandings, oral or written.
- 3.8.10 Exercise of Rights: Failure to exercise any right, power or privilege under this Agreement shall not operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any other right, power, or privilege.
- 3.8.11 Federal Immigration and Nationality Act: The State and the County shall comply with all federal, state, and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the State and the County shall flow down this requirement to all subcontractors utilized during the term of the contract. The each party shall retain the right to perform random audits of the other and its subcontractor's records or to inspect papers of any employee thereof to ensure compliance. Should the one party determine the other party and /or any subcontractors be found noncompliant, that party may pursue all remedies allowed by law, including, but not limited to: suspension of work, termination of the contract for default, and suspension and/or debarment of the noncompliant party.
- 3.8.12 Fraud and Abuse:
- 3.8.12.1 It shall be the responsibility of the State and the County to report all cases of suspected fraud and abuse by subcontractors, members or employees. The State and the County shall provide written notification of all such incidents to the Contracting Officer.
- 3.8.12.2 As stated in A.R.S. § 13-2310, incorporated herein by reference, any person who knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions is guilty of a class 2 felony.



- 3.8.12.3 State and the County are required to research potential overpayments identified by a fraud and abuse investigation or audit conducted by AHCCCS or the County. After conducting a cost benefit analysis to determine if such action is warranted, the State and the County should attempt to recover any overpayments identified due to erroneous, false or fraudulent billings.
- 3.8.13 Indemnification: Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.
- 3.8.14 No Third Party Beneficiaries: Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or to affect the legal liability of either party to the IGA.
- 3.8.15 Non-Appropriation:
- 3.8.15.1 Funding for this Agreement is contingent upon the availability of funds authorized annually for the specific program services provided under this Agreement. An authority may be from a Federal, State, or other funding source or a combination of these sources.
- 3.8.15.2 Notwithstanding any other provision in this Agreement, this Agreement may be terminated if for any reason the County Board of Supervisors does not appropriate sufficient monies for the purpose of maintaining this Agreement.
- 3.8.16 Non-Discrimination: The State and the County shall comply with State Executive Order No. 99-4 and all other applicable federal and state laws, rules and regulations, including the Americans with Disabilities Act.
- 3.8.17 Notices: Notices to the County should be sent to the person indicated by the County stated in this Agreement. The County shall make notices to AHCCCS required by this Agreement to the Contact person indicated in this agreement unless otherwise stated in this Agreement. An authorized Procurement Officer and an authorized County representative may change their respective person to whom notice shall be given by written notice and an amendment to the Agreement shall not be necessary.

3.8.18 Offshore Performance of Work Prohibited: Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

3.8.19 Prohibition from Doing Business with Companies in Excluded Countries: The Offeror shall submit a statement that the company and its subcontractors do not have scrutinized business operations in the following countries: Iran, Sudan, and countries that are in violation of the Export Administration Act (terrorist countries).

3.8.20 Records: Under A.R.S. § 35-214 and § 35-215, the State and the County shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the State or the County shall produce a legible copy of any or all such records at no cost to the other.

3.8.21 Severability: The provisions of this Agreement are severable. If any provision of this Agreement is held by a court to be invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extent permitted by law.

3.8.22 Termination:

3.8.22.1 This Agreement may be terminated without cause upon sixty (60) days written notice by either Party during the term of this Agreement. AHCCCS has the right to terminate this Agreement upon forty-eight (48) hours notice when AHCCCS deems that the health or welfare of Applicants and recipients of AHCCCS services is endangered, or that the County's non-compliance jeopardizes FFP, or FFP funding to AHCCCS for the purposes stated herein is terminated or in any manner not available to AHCCCS.

3.8.22.2 Cancellation for Conflict of Interest: Pursuant to A.R.S. 38-511, the State may cancel this contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the



State is or becomes at any time, while the Contract or an extension of the Contract is in effect, an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation, unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. 38-511.

3.8.22.3 In the event of any material default by the County or AHCCCS, the non-defaulting party shall provide notice to the defaulting party, specifically setting forth the particulars of the breach. The defaulting party shall have thirty (30) days in which to cure the default or to begin appropriate action to cure the default if it cannot be reasonably cured within the thirty-day time period. If the default has not been reasonably cured within the thirty-day time period, or if the default cannot reasonably be cured within such period, then the non-defaulting party has the right to terminate this Agreement by giving five working days prior written notice of termination following the expiration of the thirty-day period.

3.8.23 Termination - Availability of Funds: Funds are not presently available for performance under this contract beyond the current fiscal year. No legal liability on the part of AHCCCS for any payment may arise under this contract until funds are made available for performance of this contract. AHCCCS shall make reasonable efforts to secure such funds.

3.8.24 Third Party Antitrust Violations: The County assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the County toward fulfillment of this Contract.



NOW THEREFORE, AHCCCS and the County agree to abide by the terms and conditions set forth in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year specified below.

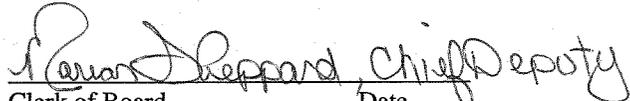
GILA COUNTY

ARIZONA HEALTH CARE COST
CONTAINMENT SYSTEM (AHCCCS)


BY: Chairman, Board of Supervisors Date
Jose M. Sanchez 11-25-08


BY: Michael Veit
Contracts and Purchasing Administrator

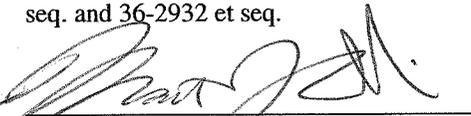
ATTEST:


Clerk of Board Date
Marian Sheppard, Chief Deputy
11-25-08

In accordance with A.R.S § 11-952, this Agreement has
Been reviewed by the undersigned who has determined
that this Agreement is in the appropriate form and is
within the power and authority granted to Gila County.

In accordance with A.R.S. § 11-952, this
Agreement is in the proper form and is
within the power and authority granted to
AHCCCS under A.R.S. §§ 36-2903 et
seq. and 36-2932 et seq.


Deputy County Attorney Date
Bryan Chambers 11-17-08


Legal Counsel for AHCCCS

Secretary of State filing information:

COUNTY
REVIEW AND APPROVAL

COUNTY, DEPARTMENT OF INSTITUTIONAL HEALTH

BY: Name _____ Date _____
Title _____



Attachment A

AHCCCS
Administrative Annual Cost Estimates for
Gila County Correction Medicaid Eligible Inmates FFS Project IGA SFY09

Claims	Electronic 70.00%	Paper 30.00%	Total Fund 100%	County Share 50%	Federal Share 50%
Estimated total number of claims:					
Physician & Emergency Transport/Hospital	1	8	4	12	
DFSM Cost per Claim	\$ 0.93	\$ 1.56			
ISD Cost per Claim	\$ 2.06	\$ 2.12			

Concurrent Review	Est. Cost	Increase	Current Cost
Estimated cost per case	2 \$111.40	\$10.13	\$101.27
Estimated number of HSAG reviews	3 2		

Claims Processing costs:

DFSM	\$7.85	\$5.62	\$13.47	\$6.73	\$6.73
ISD	\$17.29	\$7.62	\$24.91	\$12.45	\$12.45
Total Claims Processing Costs	\$25.14	\$13.23	\$38.37	\$19.19	\$19.19

Direct DFSM Labor for Yuma Co Claims Processing \$0.00

Concurrent Review Estimated costs:

Cost for 2 reviews	\$222.79	\$111.40	\$111.40
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Administrative Costs (see detail)

DBF Paper Processing Personnel costs	\$7,503.03	\$3,751.51	\$3,751.51
Postage	4 \$0.72	\$0.36	\$0.36
Data Center Charges @ \$.76/claim	5 \$9.12	\$4.56	\$4.56
Indirect at 100%	\$750.30	\$375.15	\$375.15

Total Claims Processing Costs	<u>\$8,524.34</u>	<u>\$4,262.17</u>	<u>\$4,262.17</u>
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DMS Eligibility Costs

Application Processing Costs - DMS ⁶	<u>\$291.00</u>	<u>\$145.50</u>	<u>\$145.50</u>
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Estimated Total Annual Costs for Program	<u>\$8,815.34</u>	<u>\$4,407.67</u>	<u>\$4,407.67</u>
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Cost per Claim ⁷	\$716.05	\$358.02	\$358.02
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- ¹ Actual number of claims may be higher. Number includes original, recoupment and adjustment claims.
- ² Estimate based on expected 10% increase. Actual costs will be a strict pass-through based on price negotiated on new contract.
- ³ Actual number may be higher or lower depending on Gila Co requirements.
- ⁴ Postage based on average cost per claim in FY07 times number of claims.
- ⁵ Data Center charges calculated at \$275/hour. Estimated 360/Claims per hour.
- ⁶ DMS Eligibility charges calculated at \$97/determination. Estimated 3 annual application/determinations.
- ⁷ Cost per claim does not include a cost for concurrent reviews

Note: Disability Determination fee, if required, is additional:			
Disability Determination fee	\$354.00	\$177.00	\$177.00

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 11/25/2008 04:33:14 PM Receipt #: 08-7274,08-7275
 Rec Fee: \$0 Gila County Bos/marian Sheppard
 Gila County, Az, Sadie Tomerlin Dalton, Recorder

