

INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT

1. AMENDMENT #: 1	2. CONTRACT #: YH15-0006-04	3. EFFECTIVE DATE OF AMENDMENT: JANUARY 1, 2016	4. PROGRAM: DFSM / DMS
5. CONTRACTOR/PROVIDER NAME AND ADDRESS: Cochise County Health and Social Services 1415 Melody Lane, Building A Bisbee, AZ 85603			
6. PURPOSE: To revise rates and add HIPAA BAA.			

7. THE ABOVE REFERENCED CONTRACT IS HEREBY AMENDED AS FOLLOWS:

- A. Change rates from Attachment A (SFY15) to the rates as shown in Attachment A (SFY16).
- B. Change Quarterly Estimate of State Match Advance Payments from Attachment B (SFY15) to the Estimates listed in Attachment B (SFY 16).
- C. Add Business Associate Addendum to the IGA.

8. EXCEPT AS PROVIDED FOR HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT NOT HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL EFFECT.

SIGNATURE PAGE

IN WITNESS THEREOF, the parties have executed this Agreement:

COUNTY:

Arizona Health Care Cost Containment
System (AHCCCS):

Signature: _____

Signature: _____

Printed Name: Richard Searle

Printed Name: Meggan Harley, CPPO, MSW

Title: Chairman, Cochise County Board of
Supervisors

Title: Procurement and Contracts Manager

Date: _____

Date: _____

ATTEST:

Signature: _____

Arlathe G. Rios, Clerk of the Board

Date

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 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.

COUNTY Attorney

Legal Counsel for AHCCCS

Electronic Submission: An electronic or portable document file (PDF) copy of this amendment shall serve as the original.

ATTACHMENT A

AHCCCS						
Administrative Annual Cost Estimates for						
Cochise County Medicaid Eligible Inmates FFS Project IGA SFY16						
Claims	Electronic	Paper	Total Fund	State	Federal	
	25%	75%	100%	50%	50%	
Estimated total number of claims:						
Physician & Emergency Transport/Hospital	1	5	15	20		
DFSM Cost per Claim	2	\$ 0.34	\$ 0.41			
OIG Cost per Claim	2	\$ 0.05	\$ 0.05			
ISD Cost per Claim	2	\$ 1.87	\$ 1.87			
Concurrent Review						
		Average Cost				
Estimated cost per case	3	\$ 101.06				
Estimated number of HSAG reviews	4	2				
Claims Processing costs:						
DFSM		\$1.72	\$6.11	\$7.82	\$3.91	\$3.91
OIG		\$0.27	\$0.80	\$1.06	\$0.53	\$0.53
ISD		\$9.37	\$28.10	\$37.47	\$18.74	\$18.74
Total Claims Processing Costs		\$11.35	\$35.01	\$46.34	\$23.18	\$23.18
Direct DFSM Labor for Cochise Co Medicaid Claims Processing	5			\$0.00	\$0.00	\$0.00
Direct ISD Labor for Cochise Co Medicaid Claims Processing	6			\$1,750.00	\$875.00	\$875.00
Concurrent Review Estimated costs:						
Cost for 2 reviews				\$202.13	\$101.06	\$101.06
Administrative Costs (see detail)						
DBF Processing Personnel costs	7			\$2,765.70	\$1,382.85	\$1,382.85
Postage @ \$.0680/claim	8			\$1.37	\$0.69	\$0.69
Data Center Charges @ \$.2213/claim	9			\$4.43	\$2.21	\$2.21
Indirect at 10%				\$276.57	\$138.29	\$138.29
Total DBF Administrative Costs				\$3,048.06	\$1,524.03	\$1,524.03
Total Claims Processing Costs				\$5,046.53	\$2,523.27	\$2,523.27
DMS Eligibility Costs						
Application Processing Costs - DMS	10			\$525.00	\$262.50	\$262.50
Estimated Total Annual Costs for Program				\$5,571.53	\$2,785.77	\$2,785.77
Cost per Claim	11			\$268.48	\$134.24	\$134.24

¹ Actual number of claims may be higher. Number includes, original, recoupment and adjustment claims.			
² Cost based on SFY 15 expenditures and actual number of claims processed			
³ Average rate per contract. Actual costs will be a strict pass-through based on price negotiated on new contract.			
⁴ Actual number may be higher or lower depending on Cochise County Medicaid Inmate requirements.			
⁵ Based on estimates of DFSM staff time required to process the claims.			
⁶ Estimate based on 10 hours at a rate of \$175 per hour. Will only be billed for actual hours incurred.			
⁷ Based on estimates of DBF staff time required to monitor funding activity and process payments.			
⁸ Postage based on average cost per claim times number of claims.			
⁹ Data Center charges calculated based on average SFY 15 costs			
¹⁰ DMS Eligibility charges calculated at \$105/determination. Estimated 5 annual applications/determinations.			
¹¹ Cost per claim does not include a cost for concurrent reviews			

ATTACHMENT B

AHCCCS Quarterly Estimate of State Match Advance Payments for Program Services Cochise County Medicaid Eligible FFS Project IGA SFY16

Estimate of Annual Dollar Value of Claims Paid	\$ 3,000.00	
Average Federal Financial Participation Rate	78.25%	
Estimate of State Match Payments for Program Services for Current Year	\$ 652.65	
Quarterly Estimate of State Match Advance Payments for Program Services to AHCCCS	<u>\$10,000.00</u>	**

** Minimum Balance of \$10,000.00 must be maintained.

BUSINESS ASSOCIATE ADDENDUM

Amended 2013

This Addendum is made part of this Contract between the Arizona Health Care Cost Containment System ("AHCCCS") and the Contractor, referred to as "Business Associate" in this Addendum.

AHCCCS and Business Associate agree that the underlying Contract shall comply with the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as set forth in Title 45, Parts 160 and 164 of the Code of Federal Regulations (the "CFR"), as amended. In the event of conflicting terms or conditions, this Addendum shall supersede the underlying Contract.

1. DEFINITIONS

The following terms used in this Addendum shall have the same meaning as those terms in the HIPAA rules set forth in Title 45, Parts 160 and 164 of the CFR: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

Business Associate agrees to:

- 2.1. Not use or disclose protected health information ("PHI") other than as permitted or required by this Addendum or as required by law;
- 2.2. Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI, to prevent use or disclosure of protected health information other than as provided for by this Addendum;
- 2.3. Report to AHCCCS any use or disclosure of PHI not provided for by this Addendum of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR §164.410, and any security incident of which it becomes aware in the following manner:
 - 2.3.1. Reporting. Business Associate shall report to AHCCCS any use or disclosure of PHI not authorized by the Contract, by law, or in writing by AHCCCS. Business Associate shall make the report to AHCCCS's Privacy Official not less than twenty-four (24) hours after Business Associate learns of such unauthorized use or disclosure. Business Associate's report shall at least:
 - A. Identify the nature of the unauthorized use or disclosure;
 - B. Identify the PHI used or disclosed;
 - C. Identify who made the unauthorized use or received the unauthorized disclosure;

- D. Identify what Business Associate has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure;
- E. Identify what corrective action Business Associate has taken or shall take to prevent future similar unauthorized use or disclosure; and
- F. Provide such other information, including a written report, as reasonably requested by AHCCCS's Privacy Official.

2.3.2. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of the Contract.

2.3.3. Sanctions. Business Associate shall have and apply appropriate sanctions against any employee, subcontractor or agent who uses or discloses AHCCCS PHI in violation of this Addendum or applicable law.

2.4. In accordance with 45 CFR §164.502(e)(1)(ii) and §164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions and requirements that apply to the Business Associate with respect to such information;

2.5. Make available PHI in a designated record set to AHCCCS as necessary to satisfy AHCCCS' obligations under 45 CFR §164.524;

2.6. Make any amendment(s) to PHI in a designated record set as directed or agreed to by AHCCCS pursuant to 45 CFR §164.526, or take other measures as necessary to satisfy AHCCCS' obligations under 45 CFR §164.526;

2.7. Maintain and make available the information required to provide an Accounting of Disclosures to AHCCCS as necessary to satisfy AHCCCS' obligations under 45 CFR §164.528;

2.8. To the extent Business Associate is to carry out one or more of AHCCCS' obligations under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to AHCCCS in the performance of such obligation(s); and

2.9. Make its internal practices, books and records available to AHCCCS and the Secretary for purposes of determining compliance with the HIPAA rules.

3. PERMITTED USES AND DISLOSURES BY BUSINESS ASSOCIATE

3.1. Business Associate may only use or disclosure PHI as necessary to perform the services and obligations set forth in the underlying Contract;

3.2. Business Associate may use or disclose protected health information as required by law;

- 3.3. Business Associate agrees to make uses and disclosures and requests for protected health information consistent with AHCCCS' Minimum Necessary Policy, located at www.azahcccs.gov ;
- 3.4. Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by AHCCCS, except for the specific uses and disclosures set forth below in (3.5 and 3.6);
- 3.5. Business Associate may use protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate; and
- 3.6. Business Associate may provide data aggregation services relating to the health care operations of AHCCCS.

4. PROVISIONS FOR AHCCCS TO INFORM BUSINESS ASSOCIATE OF PRIVACY PRACTICES AND RESTRICTIONS

- 4.1. AHCCCS shall notify Business Associate of any limitation(s) in the AHCCCS Notice of Privacy Practices (found at www.azahcccs.gov) under 45 CFR §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI;
- 4.2. AHCCCS shall notify Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and
- 4.3. AHCCCS shall notify Business Associate of any restriction on the use or disclosure of PHI that AHCCCS has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

5. TERM AND TERMINATION

- 5.1. Term: This Addendum is effective upon the effective date of the underlying Contract and shall terminate on the date AHCCCS terminates the contract for cause as authorized in paragraph (b) of this Section, or for any other reason permitted under the contract, whichever is sooner.
- 5.2. Termination for Cause: Business Associate authorizes termination of the Contract by AHCCCS if AHCCCS determines that Business Associate has breached a material term of this Addendum and Business Associate has not cured the breach or ended the violation within the time specified by AHCCCS.
- 5.3. Obligations of Business Associate Upon Termination: Upon termination, cancellation, expiration or other conclusion of the Contract, Business Associate, with respect to PHI received from AHCCCS, or created, maintained, or received by Business Associate on behalf of AHCCCS, shall:
 - 5.3.1. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

- 5.3.2. Destroy or return to AHCCCS all remaining PHI that the Business Associate still maintains in any form;
 - 5.3.3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI;
 - 5.3.4. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out in this Addendum that applied prior to termination; and
 - 5.3.5. Destroy or return to AHCCCS the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal and contractual responsibilities.
- 5.4. Survival: The obligations of Business Associate under this Section shall survive the termination of the Contract.

6. INDEMNIFICATION AND MISCELLANEOUS

- 6.1. Indemnification: Business Associate shall indemnify, hold harmless and defend AHCCCS from and against any and all claims, losses, liabilities, costs, civil and criminal penalties, and other expenses resulting from, or relating to, the acts or omissions of Business Associate, its employees, agents, and sub-contractors in connection with the representations, duties and obligations of Business Associate under this Addendum. The parties' respective rights and obligations under this Section shall survive termination of the Contract.
- 6.2. Regulatory References: A reference in this Addendum to a section in the HIPAA rules means the section as in effect or as amended.
- 6.3. Amendment: The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for compliance with the requirements of the HIPAA rules or any other applicable law.
- 6.4. Interpretation: Any ambiguity in this Addendum shall be interpreted to permit compliance with the HIPAA rules.

END OF DOCUMENT