

DDS FY2014 POS Contract Boilerplate

This PDF document contains the fiscal years 2014-2016 POS Contract boilerplate.

This PDF has 3 pages that must be removed, and replaced with the following PDF files that were sent as attachments in this correspondence:

1. Cover Page PDF (page 1)
2. Summary Page PDF (page 49), and
3. Signature Page PDF (page 50)

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PART I. SCOPE OF SERVICES, CONTRACT PERFORMANCE, BUDGET, REPORTS, PROGRAM-SPECIFIC AND AGENCY-SPECIFIC SECTIONS

The Contractor shall provide the following specific services for the Residential and Day program(s) and shall comply with the terms and conditions set forth in this Contract as required by the Agency, including but not limited to the requirements and measurements for scope of services, Contract performance, quality assurance, reports, terms of payment and budget. No sections in this Part I shall be interpreted to negate, supersede or contradict any section of Part II. In the event of any such inconsistency between Part I and Part II, the sections of Part II shall control.

A. DESCRIPTION OF PROGRAMS

1. Glossary of Terms.

- a) **Active Treatment** – Refers to aggressive, consistent implementation of a Participant’s program of specialized and generic training, treatment and health services.
- b) **Adult Companion** – A person who provides non-medical care, supervision, and socialization services to an adult Participant. Services may include assistance with meals and basic activities of daily living and/or completion of light housekeeping tasks, which are incidental to the care and supervision of the Participant. This service is provided to carry out personal outcomes identified in the Individual Plan.
- c) **Agreed Upon Procedures** - Specific tests and procedures identified by DDS to be performed and reported on by a Certified Public Accountant to perform and report on the results. The auditor would report on the selection and the results of the procedures performed but would not provide a formal opinion with conclusions drawn from the results of the procedures.
- d) **Behavioral Support Plan** – A plan that includes intervention techniques as well as teaching strategies for increasing new adaptive positive behaviors, and decreasing challenging behaviors addressing these needs in the Participant’s natural environments.
- e) **Case Manager** – Department of Developmental Services (also referred to as “DDS”) employee who is assigned primary responsibility for a Participant. The case manager serves as primary contact with the Participant or his family/guardian on his behalf.
- f) **Clinical Behavioral Support** – Clinical and therapeutic services which are not covered by the Medicaid State Plan and are necessary to improve the Participant’s independence and inclusion in his community. Professional clinical services include:
 - Assess and evaluate the behavioral and clinical need(s);
 - Develop a Behavioral Support Plan;
 - Provide training to the Participant’s family and the support providers to implement the Behavioral Support Plan and complete associated documentation;
 - Evaluate the effectiveness of the Behavioral Support Plan by monitoring the Participant’s behavioral data on a monthly basis, and by meeting with the interdisciplinary team one month after the implementation of the behavior support plan, and in future three month intervals; and
 - Availability to the IDT for questions and consultation if changes to the Behavior Support Plan are necessary.
- g) **Community Companion Home (CCH)** – CCH is licensed by the DDS to provide Participants with residential supports in a family setting.
- h) **Community Companion Home Coordinator** – The supervisory person in the DDS Regional Division who is responsible for overseeing all private and publicly operated CCHs.
- i) **Continuous Quality Improvement Plan** – A plan that identifies the strengths and weaknesses of the Contractor, identifies areas of improvement, and establishes goals for a number of priority areas.
- j) **Contract Service Authorization (CSA)** – Authorization for the Contractor to provide supports and services to Participants. A CSA identifies the Participant, the effective date, the type of supports and services, and the amount of supports and services the DDS has authorized the Contractor to provide.

- k) **Cultural Competency** – DDS services and supports that are sensitive to the ethnic, racial, religious and national backgrounds of the Participant and his family by expanding their involvement in the management and direction of the program.
- l) **Culturally Diverse** – The multitude of ethnic, racial, sexual orientation/gender identity, religious and national backgrounds of the Participants and their families supported by DDS.
- m) **Eight Month Expense Report** – A summary of budget and expense form that details expenses for the period of July 1 – February 28/29 for each fiscal year of the contract within four expense categories – “Administrative & General”, “Benefits”, “Salary”, and “Non-Salary”.
- n) **Healthcare Coordination** – Assessment, education and assistance provided by a registered nurse to those Participants with identified health risks living in their own homes with less than 24 hour supports, who, as a result of their intellectual disability, have limited ability to identify changes in their health status or to manage their complex medical conditions.
- o) **HUD** – United States Department of Housing and Urban Development.
- p) **Human Rights Committee (HRC)** – A group of people who are not employees of the DDS who provide monitoring to assure the protection of legal and human rights of people with intellectual disabilities. Membership may include a physician, a lawyer, a parent, staff of contracted agencies, and other volunteers. A DDS employee shall act as a liaison between the HRC and the region or training school. The HRC shall act as an advisory group to the region or training school director.
- q) **Individual Plan (IP)** – A comprehensive plan that includes a Participant’s current life situation, future vision, an assessment and analysis of the Participant’s abilities, preferences, and support needs, identification of desired outcomes, the development of strategies and action plans to address needs, personal goals and desired outcomes, identification of supports and services to be provided and an evaluation of the Participant’s progress on an on-going basis to assure that the Participant’s needs and desired outcomes are being met.
- r) **Individualized Home Supports** – Assistance with the acquisition, improvement and/or retention of skills and provides necessary support to achieve personal habilitative outcomes that enhance an Participant’s ability to live in their community as specified in the plan of care. This service includes a combination of habilitative and personal support activities as they would naturally occur during the course of a day. This service is not available for use in licensed settings.
- s) **Interdisciplinary Team (IDT)** – A group of persons which includes the Participant being served, his or her family/guardian or advocate, those persons who work most directly with the Participant in each of the professions, disciplines, or service areas that provide service to the Participant, including direct care staff and any other persons whose participation is relevant to identifying the needs of the Participant, devising ways to meet them, writing an IP and reviewing its effectiveness.
- t) **Intermediate Care Facilities (ICF)** – A health care facility for Participants who are disabled, elderly, or non-acutely ill, usually providing less intensive care than that offered at a hospital or skilled nursing facility.
- u) **Medicaid State Plan:** The State Plan is the officially recognized document describing the nature and scope of the State of Connecticut Medicaid program. As required under Section 1902 of the Social Security Act, the plan was developed by the state and approved by the U.S. Department of Health and Human Services. Essentially, the plan is the state's agreement that it will conform to the requirements of the Social Security Act and the official issuances of the U.S. Department of Health and Human Services, as amended.
- v) **Mobile Work Crew** – A group of Participants who work together to provide a service in the community. This group travels to a number of worksites during the day and perform work in a variety of locations under the supervision of a permanent employment specialist (job coach/supervisor).
- w) **Operational Plan (OP or OP Plan)** – A budget document prepared by the Contractor that details projected expenses within four expense categories – “Administrative & General”, “Benefits”, “Salary”, and “Non-Salary”.
- x) **Participant** – A person who has been authorized by the DDS to receive services under this Contract. A Participant is also referred to as “Client” in Part II of this Contract.
- y) **Personal Support** – Assistance necessary to meet the Participant’s day-to-day activity and daily living needs that will provide adequate support at home and in the community specified by the individual plan.
- z) **Planning and Resource Allocation Team (PRAT)** – A regional team chaired by the DDS Planning, Resource Allocation Team (PRAT) Coordinator, and comprised of DDS representatives from Resource Management, Case Management Supervision, Business Office, Family Support, and Regional Administration. This team manages the process whereby DDS identifies available resources, identifies individual Participant needs, assigns priority determination, implements DDS Planning and Resource Allocation policies and procedures, makes

recommendations regarding applicants for the HCBS waiver, processes allocation of resources, and makes referrals to available out-of-home residential group living settings and Contractor-based day services.

- aa) Procedure Codes** – A broad term to identify systematic numeric or alphanumeric designations used by healthcare providers and medical suppliers to report professional services, procedures and supplies.
- bb) Program Review Committee (PRC)** – A group of professionals, including a psychiatrist, assembled to review a Participant’s behavior treatment plans and behavior modifying medications to assure that they are clinically sound, supported by proper documentation and rationale, and are being proposed for use in conformance with DDS policies. The PRC acts as an advisory group to the Regional or Training School Director.
- cc) Qualified Provider** – A private organization that is qualified to provide services to a Participant or group of Participants in a residential or day program who have applied for and been determined eligible for the programs and services of the DDS, or who have been determined eligible by operation of law, and who is maintained as such in the DDS’s individual data base.
- dd) Quality Service Review (QSR)** – An assessment to determine the quality of service delivered by qualified providers and a personal outcome review to assess individual Participant’s satisfaction with services and supports.
- ee) Regional Resource Administrator** – The supervisory person of DDS Resource Managers in DDS Regional Resource Administration division.
- ff) Rent Subsidy** – Financial assistance to meet the housing costs attributable to the rental of a community-based residence. Assistance is provided in accordance with the DDS’ Community Based Housing Subsidy Program Procedure, I.C.PR.002, for those costs normally attributable to the acquisition, retention, use and occupancy of a community based residence including, but not limited to:
- rent or other periodic payments for use and occupancy;
 - security deposits;
 - utilities;
 - insurance; and/or
 - costs related to “routine” maintenance and repair.
- gg) Resource Administration** – The division of DDS that has administrative oversight responsibilities for Contractors. Responsibilities include managing CSAs and related budgets, as well as ensuring quality services and contract compliance.
- hh) Resource Manager** – A staff member in the DDS Resource Administration unit who provides contract administration for assigned Contractors.
- ii) Respite Services** – Temporary care of a Participant to provide a rest or period of relief for the primary caregiver. Services include recruitment, hiring and training of respite workers, providing supervision and matching services to families who need respite, and allocating funding to allow Participants served under this Contract to attend summer camp.
- jj) Self -Determination** – An approach to service delivery for Participants to determine their future, design their own support plans, choose the assistance they need to live full lives, and control a personal budget for their supports. It is also known as “Individual Supports”, “self-directed supports”, or “consumer-directed supports”. Self-directed supports are designed to meet the needs of the Participant and enhance consumer empowerment, personal development, and choice and control over life decisions. Self-directed supports are provided in the person’s own home, family home, or other home in the community.
- kk) Special Identification Code (SID)** – A number used to uniquely define appropriation budgets by tying an accounting transaction back to the appropriations act via a combination of other fields. The SID also defines the source and use of funding in non-appropriated funds. It is a required field on all expenditure and revenue transactions.
- ll) Transportation** - Service offered in order to enable Participants to gain access to community services, activities and resources, specified by the individual plan.
- mm) Wrap around Day program** – A program in which day supports are provided in the Participant’s home by a qualified provider of residential supports.

2. Residential Services.

(a) Community Living Arrangements.

1) Community Living Arrangements (CLAs) are licensed by the DDS to provide Participants with residential supports. A CLA provides Participants assistance with the acquisition, retention, or improvement of skills related to activities of daily living, such as personal grooming and cleanliness, bed making and household chores, eating and the preparation of food, and the social and adaptive skills necessary to enable the Participant to reside in a non-institutional setting.

2) A CLA should be a reflection of the DDS Mission. As such a CLA creates an environment that assists Participants they serve to become contributing citizens in their community as family members, friends, neighbors, students, employees, volunteers, members of civic and religious associations, voters, advocates, etc. They do this by assisting Participants to

- live, learn, work and enjoy life in their community in places where they can use their personal strengths, talents and passions,
- develop safe, meaningful and empowering relationships with people other than service providers,
- develop skills through lifelong learning and as Participants gain skills and competencies,
- the amount of support they receive should be assessed and adjusted accordingly,
- know their rights and responsibilities, make informed choices, take responsibility for their lives, and experience the dignity of risk, and/or
- earn money and pursue opportunities to live the life they choose.

All of the supports provided to a Participant should be done in partnership with families so that individuals are part of a strong team where they feel valued and supported from their earliest years throughout the lifetimes.

3) Under the CLA Program, the Contractor is responsible for the following:

A. Maintaining a clean, safe, orderly, well-maintained, furnished, personalized home that blends well with other homes in the neighborhood. The home needs to reflect the Participant's preferences and cultural background.

B. Maintaining a home that is well supplied with food, cleaning supplies and personal hygiene items.

C. Maintaining a home where interpersonal interactions are pleasant and respectful.

D. Maintaining a staff level that is adequate to ensure safety, active programming and competency in communicating with the people living in the home.

E. Maintaining a home, which strongly promotes independence and incidental learning opportunities for the Participants.

F. Providing supports to Participants that allow people to be clean, well dressed, well groomed and live a healthy lifestyle.

G. Forwarding the IP and required documentation in a timely manner to case managers and others in accordance with the IP procedures.

H. Maintaining documentation of the daily service to the Participant. Maintaining documentation related to the implementation of the outcomes/goals/objectives as specified in the Participant's IP. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates.

I. Maintaining documentation of each Participant's personal funds in accordance with generally accepted accounting principles and adherence to DDS Policy.

J. Providing Participants with the opportunity to participate in individualized and/or small group activities in the community.

K. Submitting a Residential Notice of Opportunity form to the Resource Managers when a vacancy occurs.

L. Adhere to all DDS policies, procedures and directives relating to the IP, health and safety, and any other applicable policies, procedures and directives.

M. Immediate Notification of Hospital or Nursing Home Admission to the Regional Resource Administrator.

(b) Continuous Residential Supports (CRS); Non-licensed Settings.

1) CRS is a non-licensed setting for no more than three Participants, if it's not a family home. A CRS setting must have readily available third shift staff awake or asleep, have supports available throughout non-work hours though some time alone as approved by the team would be allowed and may have some Participants that require less support but live in the setting where the supports are provided.

2) CRS assists with the acquisition, improvement and/or retention of skills and provides the necessary support to achieve personal outcomes that enhance a Participant's ability to live in their community as specified in the IP. Supports may include provision of instruction and training in one or more need areas to enhance the Participant's ability to access and use the community; implement strategies to address behavioral, medical or other needs identified in the IP; implement all therapeutic recommendations including Speech, Occupational Therapy, Physical Therapy, and assist in following special diets and other therapeutic routines; mobility training or travel training; adaptive communication training; training or practice in basic consumer skills such as shopping or banking; and assisting the Participant with personal care activities as needed.

3) Operational Guidelines.

A. The Participant will hold the lease (if any) to their home.

B. Paid staff supports should not supplant non-paid supports provided by family, friends, and the community.

C. Participants should have a choice regarding with whom they live and where they live within reasonable socio-economic limits as determined by DDS budget and HUD guidelines.

4) Contractor's Responsibilities. Under the CRS Program, the Contractor is responsible for the following:

A. Encourage and enable Participants to express themselves concerning the supports they receive.

B. Adhere to all DDS policies, procedures and directives relating to the IP, health and safety, and any other applicable policies, procedures and directives.

C. Assist Participants capable of competitive employment with job searching.

D. Assist Participants in obtaining the best possible health and access to health care services.

E. Maintain a flexible approach to supports based on individualized needs.

F. Assist Participants with applying for and maintaining benefits, as well as money management.

G. Assist Participants with transportation in order to access community services.

H. Shall maintain an arm's length relationship between other contracting parties including but not limited to real estate procurement except where prior authorization of the Commissioner or designee is secured in advance.

I. Housing:

1) Assist Participant to locate and move to his or her own home.

2) Complete property inspections in accordance with DDS guidelines.

3) Provide evidence of comparable properties, if required.

4) Process DDS Rent Subsidy application and monthly submission of income verification, if necessary.

5) Will not have ownership or any financial interest in the Participant's home without prior written authorization of the Commissioner or designee.

6) Apply for HUD rent subsidy on a regular basis to replace DDS rent subsidy and other benefits for which the Participant may be entitled.

J. Investigate and secure third party funding and/or other types of supports where and when appropriate and possible.

- K.** Actively participate in the IP planning process and complete all required reports and assessments on a timely basis.
- L.** Provide information to the case manager to assist with the completion of the Connecticut DDS Level of Need Assessment and Screening Tool used to determine the Participant's level of need that will eventually provide an equitable amount of funding for residential and day support hours for all DDS participants.
- M.** Complete or assist the Participant to obtain any assessments, evaluations, or reports for which they are responsible and submit them to the case manager at least 14 days before the IP meeting.
- N.** Develop and implement specific plans as identified in the Participant's IP, including teaching strategies, programs, guidelines, protocols.
- O.** Written reviews on progress made on assigned goals will be submitted to the case manager prior to the annual meeting and six months after the IP on forms issued by DDS.
- P.** Maintain documentation of the daily services to the Participant. Maintain documentation related to the implementation of the outcomes/goals/objectives as specified in the Participant's IP. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates.
- Q.** Communicate to DDS any and all immediate threats to public safety or the supported Participant.
- R.** Submit the following information to the Region by the 10th of each month to comply with rent subsidy verification and to receive timely payments:
 - 1) Verification of wage (copies of pay stubs);
 - 2) Copies of all entitlement checks from the United States Department of Social Security Administration and the CT Department of Social Services;
 - 3) Utility verification (copies of utility bills); and
 - 4) Other costs (insurance payments, policies).
- S.** Develop a means for accessing assistance at all times for each Participant including the ability to access assistance under all conditions especially emergency situations. The Contractor must ensure that a timely response can be made to a Participant's request for assistance, under all conditions.
- T.** Evaluate, assess, develop and provide the supports to be provided by the Contractor on the anticipated or stated need of each individual Participant accepted into the Contractor's program. The Contractor will meet the person and review the current IP and all available assessments. The Contractor will also participate in all transitional activities as required to facilitate a successful move.
- U.** Immediate Notification of Participant's Hospital or Nursing Home Admission to the Regional Resource Administrator.

5) DDS' Responsibilities. DDS shall:

- A.** Identify CRS Participants for the Contractor;
- B.** Provide DDS housing subsidies dependent on appropriateness and availability of funds;
- C.** Make housing approval determinations;
- D.** Arrange for property inspections;
- E.** Verify computed amount of rent subsidy to be received, if applicable; and
- F.** Provide technical assistance.

(c) Community Companion Home Support Services (CCH). CCH is licensed by the DDS to provide Participants with residential supports in a family setting. A CCH family provider provides Participants assistance with the acquisition, retention, or improvement

of skills related to activities of daily living, such as personal grooming and cleanliness, bed making and household chores, eating and the preparation of food, and the social and adaptive skills necessary to enable the Participant to reside in a non-institutional setting.

1) Contractor's Responsibilities. Under the CCH Program, the Contractor is responsible for the following:

- A.** Advertise, recruit, develop and maintain license of Community Companion Home providers, as directed by the Region.
- B.** Conduct initial training for all new applicants providing supports in a CCH setting prior to initial DDS licensing.
- C.** Insure follow up training is completed as needed for annual relicensing and as needed to meet Participant needs.
- D.** Attend and participate in transition meeting and transition activities.
- E.** Insure the Participant's benefits are in place: this includes, but is not limited to, ongoing reviews of entitlements and assistance in redeterminations of entitlements.
- F.** Insure the Participant's belongings are moved upon admission or discharge to the CCH as directed by the DDS CCH Coordinator.
- G.** Insure all documentation regarding the participant such as medical and financial records are moved upon admission or discharge to the CCH as directed by the DDS CCH Coordinator.
- H.** Coordinate transportation in cooperation with DDS and CCH family provider.
- I.** Attend and participate in the IP planning process and quarterly meetings.
- J.** Provide to the DDS case manager a report on each placed Participant in advance of each review meetings or IP that outlines progress on goals and issues needing the review and attention of the Participant's team.
- K.** Assist the CCH family provider with the development and implementation of specific service plans.
- L.** Be responsible for attending PRC and/or HRC meetings, as necessary. Prepare and submit the identified DDS forms and documentation regarding a Participant's behavior treatment plan and/or behavior modifying medications within the established timelines identified by the committee.
- M.** Provide Nurse Consulting/health care oversight services and periodic reviews of health needs as identified in the IP for each Participant through appropriately licensed personnel or entities.
- N.** Provide Behavioral Consulting services and periodic reviews of behavioral needs as identified in the IP for each Participant.
- O.** Assist CCH family providers in plans of correction to address licensing deficiencies and ensure the implementation of the plan of correction. Work collaboratively with the DDS case manager/IDT to implement the plans of correction.
- P.** Insure that the homes maintain all records required pursuant to licensure regulation, or as may be reasonably required by the DDS, including, but not limited to a log of all personal incidents affecting the Participant, community activities of the Participant, all absences from the provider's home for more than twenty-four (24) hours, and the reason for same, all medical and support services received by the Participant, and full accounting of all the funds held for, or on behalf of, the Participant.
- Q.** Notify DDS' CCH Coordinator or designee by the 5th of each month of all overnight absences in the previous calendar month for each Participant on their contract.
- R.** Insure that all legal rights of the Participants are protected and safeguarded.
- S.** Insure alternative placement for the Participants in the event of an emergency or if the current Community Companion Home is no longer an appropriate setting.

- T. Provide documented monthly visits to each CCH family provider.
- U. Insure completion of Incident Reports and notification of case managers of all the Participant incidents.
- V. Adhere to the DDS Critical Incident reporting procedure.
- W. Assist and cooperate with abuse and neglect investigations, attend and participate in any administrative hearings as well as follow-up on recommendations from investigations, special concerns and protective service plans.
- X. Adherence to all Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended, requirements and assist reach CCH family provider to do the same.
- Y. Notify DDS of any changes with the CCH family provider that could impact their licensing status (i.e. new occupants, health status, or arrest). The agency will complete a criminal record check for new occupants. An addendum to the initial analysis of the feasibility of the home must be completed for all new occupants in the CCH. The analysis must be timely and address the length of stay, employment, and other related information pertaining to the new occupant's stay in the home and provide substantive information so that the DDS CCH coordinator can fully understand the occupant's impact on the functioning of the home.

2) DDS Responsibilities.

- A. Provide necessary care management services for each Participant in the program.
- B. Assist the provider to identify an alternative residential setting if, for any reason, the Community Companion Home model is no longer appropriate.
- C. Consultation will be provided to the Contractor by the DDS Quality Assurance Division, Licensing Division and the DDS CCH Coordinators in matters pertaining to the initial licensing and continued operation of the CCH family providers they support.

(d) Individualized Home Supports (IHS). IHS assists with the acquisition, improvement and/or retention of skills and provides the necessary supports to achieve personal outcomes that enhance a Participant's ability to live in their community as specified in the IP. Supports may include provision of instruction and training in one or more need areas to enhance the Participant's ability to access and use the community; implement strategies to address behavioral, medical or other needs identified in the IP; implement all therapeutic recommendations including Speech, Occupational Therapy, Physical Therapy, and assist in following special diets and other therapeutic routines; mobility training or travel training; adaptive communication training; training or practice in basic consumer skills such as shopping or banking; and assisting the Participant with personal care activities as needed.

1) Operational Guidelines.

- A. The Participant will hold the lease (if any) to his/her home.
- B. Paid staff supports should not supplant non-paid supports provided by family, friends, and the community.
- C. Participants should have a choice regarding with whom they live and where they live within reasonable socio-economic limits as determined by the DDS's budget and HUD rental guidelines.

2) Contractor's Responsibilities. Under the IHS Program, the Contractor is responsible for the following:

- A. Encourage and enable Participants to communicate all concerns regarding the supports they receive.
- B. Adhere to all DDS policies, procedures and directives relating to the IP, health and safety, and any other applicable policies, procedures and directives.
- C. Assist Participants capable of competitive employment with job searching.
- D. Assist Participants in obtaining the best possible health and access to health care services.

- E.** Maintain a flexible approach to supports based on individualized needs.
- F.** Assist Participants with applying for and maintaining benefits, as well as money management.
- G.** Assist Participants with transportation in order to access community services.
- H.** Shall maintain an arm's length relationship between other contracting parties including but not limited to real estate procurement except where prior authorization of the Commissioner or designee is secured in advance.
- I.** Relative to housing:
- 1) Assist Participant to locate and move to his or her own home;
 - 2) Complete property inspections in accordance with DDS guidelines;
 - 3) Provide evidence of comparable properties, if required;
 - 4) Process DDS Rent Subsidy applications and monthly submission of income verification, if necessary;
 - 5) Will not have ownership or any financial interest in the Participant's home without prior written authorization of the Commissioner or designee; and/or
 - 6) Assist the Participant to apply for HUD rent subsidy on a regular basis to replace DDS rent subsidy and other benefits for which the Participant may be entitled.
- J.** Investigate and secure third party funding and/or other types of supports where and when appropriate and possible.
- K.** Actively participate in the IP planning process and complete all required reports and assessments on a timely basis.
- L.** Provide information to the case manager to assist with the completion of the Connecticut DDS Level of Need Assessment and Screening Tool used to determine the Participant's level of need that will eventually provide an equitable amount of funding for residential and day support hours for all DDS Participants.
- M.** Complete or assist the Participant to obtain any assessments, evaluations, or reports for which they are responsible and submit them to the case manager at least fourteen (14) days before the IP planning meeting.
- N.** Develop and implement specific plans as identified in the person's IP, including teaching strategies, programs, guidelines, and protocols.
- O.** Written reviews on progress made on assigned goals will be submitted to the case manager prior to the annual meeting and six (6) months after the IP on forms issued by the DDS.
- P.** Maintain documentation by the staff providing the service that includes at a minimum: the date of the service, the start time and end time of the service, a description of the activities related to outcomes/goals/objectives, care or transportation provided to the Participant, and the signature of the person providing the service. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates and/or hours of supports.
- Q.** Communicate to the DDS Case Manager and the Resource Administrator any and all immediate threats to public safety or the supported Participant.
- R.** Submit the following information to the Region by the 10th of each month to comply with rent subsidy verification and to receive timely payments:
- 1) Verification of wage (copies of pay stubs);
 - 2) Copies of entitlement checks from the United States Department of Social Security Administration and the CT Department of Social Services;
 - 3) Utility verification (copies of utility bills); and
 - 4) Other costs (insurance payments, policies).
- S.** Develop a means for accessing assistance at all times for each Participant including the ability to access assistance under all conditions especially emergency situations. The Contractor must ensure that a timely response can be made to a Participant's request for assistance, under all conditions.
- T.** Evaluate, assess, develop and provide the supports to be provided by the Contractor on the anticipated or stated need of each individual Participant accepted into the Contractor's program. The Contractor will meet with the Participant and

review the current IP and all available assessments. The Contractor will also participate in all transitional activities as required to facilitate a successful move.

U. Immediate Notification of Participant's Hospital or Nursing Home Admission.

3. Day Services.

(a) Individual Supported Employment (ISE). Intensive, ongoing supports that enable Participants, who because of their disabilities need supports, to perform in a regular work setting. , Without the supports competitive employment at or above the minimum wage is unlikely.

1) Supported employment may include:

- A. Assisting the Participant to locate a job or developing a job on behalf of the Participant in a variety of settings, particularly work sites where persons without disabilities are employed;
- B. Services and supports that assist the Participant in achieving self-employment through the operation of a business;
- C. Activities needed to sustain paid work by the Participant, including supervision and training;
- D. Job site training, transportation, family support, or any service necessary to achieve and maintain the supported employment placement, throughout the term of the employment and in accordance with the CSA;
- E. Supports that vary in the intensity of initial job development, intensive training, and decreasing periodic monitoring; and/or
- F. A minimum of twice monthly contact with the Participant at the work site to assess job stability unless it is determined that off-site monitoring is more appropriate for a particular Participant.

2) This service is not for use to provide ongoing long-term one-on-one (1:1) support to enable a Participant to complete work activities.

(b) Group Supported Employment (GSE). A supported employment situation in a competitive employment environment in which a group of Participants are working at a particular work setting. The Participants may be dispersed throughout the worksite:

- 1) among workers without disabilities;
- 2) congregated as a group in one part of the worksite; or
- 3) part of a Mobile Work Crew.

(c) Day Support Options (DSO). Supports to Participants that lead to the acquisition, improvement, and/or retention of skills and abilities to prepare a Participant for work and/or community participation, or support meaningful socialization, leisure, and retirement activities. Supports include the development, maintenance or enhancement of independent functioning skills including but not limited to sensory-motor, cognition, personal grooming, hygiene, toileting, assistance in developing and maintaining friendships of choice and skills to use in daily interactions; the development of work skills; opportunities to earn money; opportunities to participate in community activities.

(d) Pre-vocational Services. Services and supports delivered for the purpose of furthering habilitation goals such as attendance, task completion, problem solving, interpersonal relations and safety, as outlined in the Participant's person-centered services and supports plan. Pre-vocational services should be designed to create a path to integrated community based employment for which a Participant is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities.

(e) Sheltered Workshop (SHE). Service in a segregated facility where a Participant is supervised in producing goods or performing services under this Contract to third parties. A Participant is paid at a wage that is commensurate with workers who do not have a disability for essentially the same type, quality, and quantity of work in accordance with the regulations of the Connecticut Department of Labor and U.S. Department of Labor.

(f) Individualized Day Support (IDS). Support to a Participant tailored to his/her specific personal outcomes related to the acquisition, improvement, and/or retention of skills and abilities to prepare and support a Participant for work and/or community participation and/or meaningful retirement activities, or for a Participant who has their own business, and could not do so without this direct support. Individualized Day Supports is broken down into three categories, non-vocational (IDN), vocational (IDV) and retirement (IDR). Non-vocational and Vocation individualized day supports cannot be provided in or from a facility-based day program. Individualized Day Retirement program may be provided in the home in accordance with the Participant's individual plan. This service may not be provided at the same time as GSE, DSO, SHE, Individual Supported Employment, Respite, Personal Support, Adult Companion, or Individualized Home Supports.

(g) Adult Day Health Services. Supports provided through a community-based program designed to meet the needs of cognitively and physically impaired adult Participants through a structure, comprehensive program that provides a variety of health, social and related support services including, but not limited to, socialization, supervision and monitoring, personal care and nutrition in a protective setting during any part of a day. There are two different models of adult day health services: the social model and the medical model. Both models shall include the minimum requirements described in Section 17b-342-2 (b) (2) of the DSS regulations. In order to qualify as a medical model, adult day health services shall also meet the requirements described in Section 17b-342-2(b) (3) of the DSS regulations.

(h) Day Services Requirements

- 1) Group Day programs will provide a minimum programming of five and a half (5½) hours/day, five (5) days/week, excluding transportation through June 30, 2015. Group day programs will provide a minimum programming of five and three quarters (5¾) hours/day, five (5) days/week, excluding transportation through June 30, 2016. All providers will provide a minimum programming of six (6) hours/day, five (5) days/week, excluding transportation as of July 1, 2016. Participants may attend a program for fewer hours than the standard day only if the IP documents the need for a reduced day.
- 2) Individualized day program hours will be based on the needs of the Participant. Individualized Supported Employment programs provide the needed and appropriate supports to achieve and maintain the supported employment placement, throughout the term of the employment.
- 3) Unless fewer days are agreed upon by the Regional Resource Administrator, the Contractor will operate a minimum of two hundred fifty (250) days a year. Changes to the operating calendar for training or other reasons must be approved by the resource administration.
- 4) The Contractor will maintain or attain one hundred percent (100%) active treatment in their area(s) of responsibility for Participants living in ICF. An annual Vocational Evaluations for participants in the Contractor's day program that live in ICF facilities must be submitted to the ICF Administrator two (2) weeks prior to the scheduled IP meeting.
- 5) The Contractor shall submit to DDS' Resource Administrator and each Participant's residence by July 10th for each year of this Contract, a calendar of operation from July 1 to June 30, which indicates holidays, training days, and all other planned closings. A request for additional non-program days will be submitted to the Resource Administrator a minimum of four (4) weeks prior to the actual date. Once the approval is obtained, the Contractor will inform all residential services affected at least three (3) weeks prior to the actual day.
- 6) The Contractor will insure that Participants are paid wages in accordance with Federal Wage and Hour Regulations. Copies of U.S. Department of Labor and Connecticut Department of Labor regulations will be maintained and available for review.
- 7) Participants in employment programs will receive all fringe benefits received by other employees at the same job site including holidays, sick and vacation time. Full-time GSE Participants will receive a minimum of five (5) paid vacation days annually. Paid sick days and vacation days will be documented and available for review by DDS staff.
- 8) The agency will designate 10 annual holidays for which Participants in a wrap-around day programs will be expected to receive their day supports utilizing residential funding.
- 9) Supported Employment Participants who are temporarily displaced, laid off, or fired will receive the same number of program hours as when they were working. Whenever a change in program occurs and the Participant receives supports in a different program setting more than fifteen (15) days in a quarter, the Contractor will notify the Department of the need for a

change in support services and discontinue billing until a new CSA is received. If the change in support services requires an increase in funding or a rate change, advance approval from the PRAT is required.

10) The Contractor shall provide only the service(s) authorized and shall maintain documentation that the service(s) were provided in accordance with an IP approved by the Participant's IDT. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates and/or hours of supports.

4. Additional Services and Funding. When authorized by the DDS Resource Administration, the Contractor shall provide one or more additional services which may be funded under the following provisions. Based on availability of funds budgeted through this Contract and the DDS's determination of need and/or specific directives, the DDS may allocate funds as follows:

(a) One-time funding for person-specific supports. One-time, non-annualized funds may be disbursed through this Contract for person-specific supports to assist Participants who are experiencing a critical challenge. This funding shall provide specialized, short-term services to Participants who reside or work in private sector settings. Such short-term services include additional direct care staff, psychiatry, psychological services, specialized staff training, physical, occupational or speech therapy, counseling, behavioral management support, or any other appropriate supports, which assist in the continued presence of a Participant in his or her community and are not covered by a Participant's own entitlements.

(b) One-time funding for provider-specific supports. One-time, non-annualized funding for reasons which do not directly relate to person-specific supports may be disbursed. Examples may include additional funding for extraordinary agency increases to insurance expenses, State-mandated reimbursements, specialized staff training, or prior period refunds of cost settlement retrievals.

(c) Room & Board for Children. Funding of the Room and Board component may be disbursed for children living in CLAs when these specific children are not otherwise funded for Room & Board by the CT Department of Children & Families (DCF) and therefore such funding becomes the responsibility of DDS.

(d) Cash Advance. Initial funding for a CLA shall be equal to thirty (30) calendar days' payment in accordance with Regs. Conn. Agencies §17a-230-4. It is considered the last month's funding for the CLA and must be carried on the books as a liability. The cash advance will be recouped should the CLA cease operation.

(e) Community Companion Home Development. One-time, non-annualized funds may be disbursed to recruit and develop private family homes as a CCH licensed pursuant to C.G.S. §17a-227 in which three or fewer adults, children with intellectual disabilities or autism reside.

(f) Respite. Respite supports and services to families or primary caregivers of Participants served by the DDS so that they receive temporary relief from ongoing care-giving responsibilities.

(g) Start-up Funding. One-time, non-annualized funds for starting up of a new CLA or CRS prior to the initiation of service to Participants. The advance payment based on anticipated costs is negotiated with the contractor in accordance with DDS Policy. Once the CLA or CRS is opened, the start-up funds are cost settled in a process separate from cost settlement at the end of the fiscal year.

(h) Other Supports and Services. Supports, services or Contractor's costs consistent with its statutory authority.

B. CONTRACTOR REQUIREMENTS.

1. At the execution of the Contract, the Contractor shall provide to the Regional Resource Administrator a description of the specific program supports and services to be provided. The description shall include, but not be limited to the program goal(s), number of Participants, location, support services, staffing and time frames.

(a) Continuous Quality Improvement Plan.

1) The Contractor shall assure that services provided to Participants reflect a commitment to individualized supports and services, are responsive to the culturally diverse needs of the Participants receiving such services and assist Participants being served to achieve an array of personal outcomes.

2) The Contractor shall have a Continuous Quality Improvement Plan that has been approved by the DDS and shall implement said plan no later than six (6) months after the execution of the Contract. The plan should be based on the Quality

Organization Self-Assessment tool developed by the DDS or with prior approval of DDS another form of self assessment used by the Contractor for national accreditation and should include a cultural competency component. The DDS may request or require that the Provider add specific goals to address deficit areas and Timeliness and Accuracy of Financial Reporting and/or issue identified by the QSR.

3) Contractor shall submit regular reports on the status of the Continuous Quality Improvement Plan implementation in the form and manner prescribed by DDS. The Contractor further agrees to furnish DDS with any information DDS deems necessary for the purpose of assessing compliance with this provision.

(b) Outcomes and Measures. The Contractor shall implement the programs and services described herein to result in the following outcomes on behalf of the Participants they support. Such outcomes shall be measured in the manner described herein. Outcome results achieved pursuant to these terms and conditions will be monitored by the department.

Contracted Programs with Residential Services

Outcomes	Measures
1. Participant needs are addressed in the person’s place of residence.	100% of the Participants living in a CLA, CCH, IHS or receiving Continuous Residential Supports have a current IP that is being implemented at his or her residence.
2. Participants live in environments that are maintained in a safe and sanitary manner.	100% of the Participants living in a CLA, CCH, IHS or receiving Continuous Residential Supports have a home that is maintained in safe and sanitary repair. Any structural damage or unsanitary conditions have been reported and are being addressed.
3. Participant medical needs are addressed in a prompt and adequate manner.	100% of the Participants living in a CLA, CCH, IHS or receiving Continuous Residential Supports receive adequate medical treatment as indicated by the physician and dentist, including periodic checkups and prompt treatment of any acute illness, injury or symptoms or over medication.

Contracted Programs with Day Services

Program Type	Outcomes	Measures
1. ISE	Participants have jobs in the community	At least 90 % of Participants will be gainfully employed in a community setting a minimum of 20 hours a week.
2. GSE – includes IDV	Participants have jobs in the community	At least 90 % of Participants will be gainfully employed in a community setting a minimum of 20 hours a week.
3. Pre-Vocation Services	Participants have a career plan that is designed to create a path to integrated community based employment for which the Participant is compensated at or above the minimum wage.	At least 90 % of Participants are engaged in compensated integrated, community based work a minimum of 20 hours a week.
4. DSO- includes IDN	Participants’ individual needs are being addressed in their day program	100 % of Participants have a current IP that is being implemented at his/her day program (site or provider).

2. The Contractor shall comply with the following requirements:

(a) Department Policies, Procedures and Directives. The Contractor agrees to adhere to all DDS policies, procedures and directives. Contractors will advise in-service staff on all DDS policies, procedures and directives applicable to private sector programs funded through this Contract and pertinent to the respective position.

(b) Authorized Services. The Contractor shall provide only the service(s) authorized and shall maintain documentation that the service(s) were provided in accordance with an IP approved by the Participant’s IDT. Failure to demonstrate proper documentation will result in a denial of reimbursement for the identified dates and/or hours of supports.

(c) Human Rights. The Contractor shall ensure the human rights of all Participants served by the Department; a program free from abuse and neglect; the use of restraints and psychotropic medications will be limited to the DDS Policy, staff are hired according to the DDS policy regarding employment practices, and will adhere to the Participant's program, goals and objectives in the IP.

(d) Control of Resources. The DDS endorses the ability of Participants to control their lives as well as their resources and make effective choices about their supports and desired outcomes. The Contractor acknowledges and will not interfere with the right of Participants to freely select among qualified providers or to self direct their own resources.

(e) Contract Service Authorizations (CSA). The Contractor agrees to provide the supports as defined in this contract in accordance with the Participant's CSA. The Contractor cannot provide a Participant with day or residential supports for which monies are expected from the DDS or will be expected at a later date without receiving the necessary authorization from the DDS' Regional Resource Administrator. The Contractor may make temporary changes to the authorized support type due to emergency or unusual incidences other than those referenced for ISE Participants (**Part I, Section A, Subsection 3(f)(8)**) for no more than five program days in a quarter. A temporary change longer than five program days in a quarter will require approval from the IDT and Regional Resource Administrator. If this requires an increase in funding or a rate change, approval from the PRAT is required.

(f) Permanent Transfers. Prior approval by PRAT and a new CSA is required to permanently transfer a Participant from one residential setting to another.

(g) Agency Contact. The Contractor shall establish a single emergency contact point for hours outside of the normal business operating hours. Contractor will notify the DDS's Regional Resource Manager of any changes in emergency contact point information by the next business day. Contractor shall maintain a viable E-mail address and Internet service providing sufficient capability to receive and open all DDS attachments or to download from the DDS' Website. Contractor will notify the DDS' Regional Resource Manager of any changes regarding E-mail addresses within five (5) business days. Provider will ensure information in Provide Profile is current and accurate, and will complete an Profile Correction Form within five (5) business days of any changes.

(h) Staffing Patterns. Staffing patterns must conform to the staffing schedules submitted with the OP. A generalized, sample weekly schedule of the program's staffing pattern must be presented to the Regional Resource Manager for each year of the Contract. A revised schedule must be sent whenever there is a permanent change to the staffing pattern during the contract period. Proposed changes from this pattern must be approved by DDS prior to its implementation.

(i) Discharge and Suspensions. No Participant will be discharged or suspended from a program without the review of an IDT meeting and approval of the Regional Administration.

(j) Participant Change in Program. Any changes to the type and/or hours of supports provided to the Participant other than those detailed in this contract requires a revised CSA.

(k) Participation at Meetings. All qualified providers shall participate in quality and financial meetings with DDS.

(l) Site Approval. The Contractor agrees that any program site shall be reviewed and approved by the DDS prior to being purchased or leased.

(m) Staff Training. The Contractor agrees to arrange for staff training in areas that relate specifically to the kinds of services that the employee will be expected to provide.

(1) The Contractor's direct support employees shall be trained at a minimum in the following areas:

- IP Training regarding individual specific IP, LON & Aquatic Safety Screening, IP-7 Training Qualifications. Additionally, training regarding the individual specific health, safety and programmatic supports is required and generally covered in the IP.
- Medication- Overview and individual specific needs.
- HIPAA and confidentiality.
- Blood borne Pathogens- Pathogens/Communicable disease and OSHA as required.
- First Aid – A DDS approved curriculum.
- CPR– A DDS approved curriculum.
- DDS' Mission
- Principles of Active Treatment

- Abuse/Neglect Prevention
- Sexual Abuse Prevention
- Behavioral supports based on the individual needs of the Participants.
- DDS Safety Alerts
- Water Safety Policy and Procedure
- Emergency Procedures, Red Book and Emergency Relocation
- DDS Fire Safety
- Provider Policies and Procedures
- Dysphasia
- Emergency Behavioral Techniques (Non-Individual Specific – PMT, etc) per approved curriculum.
- Routines of Residence
- Participant’s Rights

1) Contractors of licensed facilities will conform to the DDS’ residential training requirements. The Contractor will have sufficient certified staff to administer medication and nursing delegated tasks to meet the needs of the Participants. Training documentation shall be available to DDS upon request. Documentation to include a complete listing of current staff working in DDS funded programs, status of training in the preceding areas, the most recent date of training/certification, expiration date, previous training documentation/date and anticipated date of renewal if known.

2) The Contractor agrees that its employees shall participate in any orientation or training that is required by the Contract to familiarize its employees with the needs of persons supported by the Contractor through a CSA and to give its employees the necessary skills to meet those needs.

3) Direct support employees without prior experience working with persons with intellectual disabilities shall receive training specific to the needs of the Participant within thirty (30) calendar days of employment and prior to such training shall work only with other staff on duty who have received training.

(n) Incident and Investigation Reporting. The Contractor agrees to report to the DDS all incidents of suspected abuse or neglect, all uses of restraint, all accident/injuries, and all unusual incidents that affect persons receiving services pursuant to DDS policies and procedures within prescribed time frames.

1) Unusual incidents or occurrences affecting a person being supported by the Contractor shall be reported to the Regional Designee in accordance to the DDS’ Incident Reporting policy and procedures. Incidents of abuse, neglect, and other critical incidents (as defined by the DDS) shall be reported to the Regional Designee in accordance to the DDS’ Incident Reporting policy and procedures. Other State and municipal agencies shall be notified at the same time. If necessary, the Regional on-call system shall be accessed by the Contractor.

2) All Unusual Incidents, Accident/Injury, Missing Persons, Medication Errors and Restraints shall be documented using procedures and forms provided by DDS and copies of said documentation will be forwarded to the DDS Regional Office.

3) The Contractor agrees to investigate all suspected abuse and neglect incidents unless directed otherwise by the DDS, prepare a written report of the investigator(s) findings and submit a copy of the report to the DDS.

(o) IDT.

1) The Contractor agrees to participate as a member of the Participant’s IDT as required, and to assist in the development of the IP for each Participant authorized for funding.

2) A revised CSA with the approval of the Participant and the IDT is required prior to a permanent change in the type of program in which the residential supports are provided by the Contractor. If this requires an increase in funding or a rate change, approval from the PRAT is required before the move can be made.

(p) Enhancements. The Contractor must assure the well-being of Participants and the quality of services by participating in service evaluations in accordance with the QSR. If a Contractor participates in external certification programs, a copy of any evaluation results must be made available to DDS upon request.

(q) Entitlement Changes. The Contractor must notify the DDS' Case Manager or Case Management Supervisor in writing of entitlement changes. Receipt of lump sum payments for any reason, and loans from the Contractor and repayment schedule must be communicated in writing to the DDS Case Manager or Case Management Supervisor annually.

(r) Access to Records. Contractor shall make available original or copies of original financial, accounting, and attendance records and all supporting documentation pertaining to all costs incurred in the operation of the Contractor's Connecticut-based programs. These financial, accounting and attendance records and all supporting documents shall be made readily available at the Contractor's Connecticut based administrative office. In addition to the requirements in **Part II, Section C, Subsection 18**, the Contractor shall retain all such records concerning this contract for an additional period of seven (7) years.

(s) Related Party Disclosure. The Contractor shall comply with the related party (as defined in **Part II, Section C, Subsection 6** of this Contract) disclosure and reporting and allowable cost principles established by the DDS. Whenever costs are incurred between related parties, allowable costs shall be defined as and limited to the cost to the related party. Findings of relatedness may be made in the absence of majority stock ownership of the related parties in respective organizations. The related party principle applies to any transaction between a contractor and a related party, including but not limited to one time or multiple transactions involving services or supplies and one time sales or lease of the facility itself. Related party transactions must be identified as such in the cost report (i.e., Annual Report, Eight Month or other document specified by the DDS) and the unallowable portion excluded in the appropriate section of the cost report.

1) Related Party Management companies for which 50% or more of their revenue is from related party service providers funded by DDS must report actual costs. The contractor must submit an allocation plan to DDS with their annual report. Only costs which would be allowable for the DDS provider will be allowable as allocated costs from the management company. Allowable costs are determined by the OPM cost standards and DDS requirements.

(t) Program Revisions. An approved revision to the OP is required whenever a Contractor adds a new program with annualized funding of more than \$100,000 during a fiscal year, or adds a new CLA or CRS Cost Center

(u) Equipment. The DDS reserves the right to recoup any equipment, materials, deposits or down payments in the event this Contract is terminated or not renewed in accordance with **Part II, Section D, Subsection 7(b)**. The DDS will provide the Contractor with a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. For purposes of this provision:

1) Materials and equipment with a value of at least \$100.00 and a useful life of one (1) year that was purchased for the specific use of DDS in a funded program is subject to recoupment as determined by DDS.

2) Furniture and equipment with an individual value of \$500.00 or a total aggregate value of \$2500.00 for DDS funded programs are subject to recoupment as determined by DDS.

(v) Personal Funds. The Contractor will account for all receipts and disbursements in an individual accounting ledger for any Participant for whom the Contractor manages personal funds.

(w) Principal of the Entity. Business entities that do not have an "Executive Director," or readily known analogous position, must submit to Regional Resource Administrator at the execution of the contract or whenever there is a change in leadership, the name of one (1) principal of the entity who has the most responsibility for operations under the contract with the DDS who shall be designated as the lead, and who, for purposes of state law, will be functioning as the Executive Director of the entity. In such cases where the Contractor fails to properly inform the DDS of the lead principal, all principals will be individually subject to the state laws governing the classification of Executive Director.

(x) Self-Advocate Representation. Contractors will have at least one self-advocate with intellectual disabilities on its corporate Board of Directors no later than July 1, 2014. If the organization is not required to have a Board of Directors, the agency must establish a Program Advisory Board that is to include representation by at least one self-advocate with intellectual disabilities.

C. PROGRAM REPORTING REQUIREMENTS

1. Monthly Reports of Attendance. The Contractor shall submit web-based per unit/diem attendance reports to the DDS by the 5th day of each month following the performance of services for applicable programs.

2. Admission and Discharge Reports. The Contractor shall report to the DDS each admission and discharge, and such other routine information as may be required by the DDS. Such reports shall be in the form prescribed by the DDS.

3. Residential Required Reports. The Contractor shall make and file with the DDS the following reports and provide the indicated documentation according to the following schedule:

Report/ Documentation	Due	Submit To
Monthly		
(1) Residential attendance	Fifth of each month	Central Office
(2) Rent Subsidy Documentation	Tenth of each month	DDS Staff
Bi-Annually Staff Training	July 10, January 10	Regional Designee
Annually		
(1) Staffing Schedules	July 10	DDS Staff
(2) Eight Month Expense Report (DDS Form)	March 31	DDS Staff
(3) Initial Operational Plan (DDS Form)	May 1	DDS Staff
(4) Summary of Budget (DDS Form)	May 15	DDS Staff
<i>(only Contractors that do not file OP Plan)</i>		
(5) Final Operational Plan (DDS Form)	July 15	DDS Staff
(6) End Of Year Expense Report (DDS Form)	October 15	DDS Staff
<i>(only Contractors that do not file Annual Reports</i>		
(7) Insurance Certificate	upon renewal of policy	DDS Staff
(8) Annual Report (DDS Form)	October 15	Craig J Lubitski
Upon Occurrence		
(1) Participant Incident Reports	Twenty-four (24) hours after incident	Regional Designee
(2) All Staff Vacancies, Role or location changes	When Vacant	Regional Designee
(3) Residential Notice of Opportunity	When Vacant	Regional Designee

4. Day Reporting Requirements. The Contractor shall make and file with DDS the following reports and provide the indicated documentation according to the following schedule:

Report/Documentation	Due	Submit to
Monthly		
(1) Day attendance	Fifth of each month	Central Office
Bi-Annually		
(1) GSE locations	July 10, January 10	Regional Designee
(2) Staff Training	July 10, January 10	Regional Designee
Annually		
(1) Calendar of Operations	July 10	DDS Staff & Participant's Residence
(2) Staffing Schedules	July 10	DDS Staff
(3) Eight Month Expense Report (DDS Form)	March 31	DDS Staff
(4) Initial Operational Plan (DDS Form)	May 1	DDS Staff
(5) Summary of Budget (DDS Form)	May 1	DDS Staff
<i>(only Contractors that do not file OP)</i>		
(6) Final Operational Plan (DDS Form)	July 15	DDS Staff
(7) End of Year Expense Report (DDS Form) <i>(only Contractors that do not file Annual Reports)</i>	October 15	DDS Staff
(8) Insurance Certificate		
(9) Annual Report (DDS Form)	upon renewal of policy	DDS Staff

(10) DOL Certificate	October 15 upon renewal of policy	Craig J Lubitski DDS Staff
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D. FISCAL

1. Residential Payments. The DDS shall reimburse monthly, by retrospective payment. Payments for Residential programs (CLA, CCH, and CRS) will be based on one twelfth (1/12) of an approved annualized CSA. Payment for IHS Programs will be based on the utilization of the service at the established rate of an approved CSA for all Participants during the month. Monthly payments will be made for all CLA, CRS and CCH CSAs in which at least one unit of support was provided to the Participant in the given month. In addition to the IHS utilization payment, a monthly payment will be made for specifically identified IHS CSAs in which at least one unit of support was provided to the Participant in the given month. For CLA and CRS settings, a unit is defined as receiving supports for at least one overnight stay in the residence. For an IHS and CCH setting, a unit is defined as the Participant received at least fifteen (15) minutes of support in their own home.

2. Day Payments. DDS shall make retrospective payments on a monthly basis. Payment for Group Day Programs (GSE, DSO and SHE), and Individualized Day Programs (ISE and IDS) will be based on the utilization of the service at the established rate of an approved CSA for all Participants during the month. Monthly payments will be made only after the DDS' receipt and approval of required reports.

(a) Contractors of Group Day Programs will be paid on a per diem basis for each Participant.

1) A "Day of Service" is defined as the standard minimum number of hours referenced in Day Services Requirements (A.3. (f)).

2) A Contractor may bill for each authorized day that supports are provided to the Participant up to 250 days in a fiscal year.

3) A Contractor may bill for a Participant with multiple group day support authorizations for each authorized day that supports are provided up to 250 days in a fiscal year. Contractor may provide up to 50 days or 300 hours, whichever is less, over the Participant's authorization in one of the Participant's group day supports but no more than a total of 250 days or 1500 hours, whichever less, for all the Participant's group day authorizations in one fiscal year.

4) A Participant will be considered in attendance if supports have been provided for a minimum of three (3) hours and a full day of services was available. Contractors that routinely provide less than the standard minimum number of hours for a Participant and fail to notify the DDS Regional Resource Administrator will not be eligible to bill for a full day of service.

5) In the event of an early closure due to inclement weather or an emergency incident, the Contractor may bill for a standard day of service provided the Participant received supports for a minimum of three (3) hours.

6) A program may reduce hours for staff training or other reasons approved by the region. The Contractor may bill for a standard day of service provided the Participant received supports for a minimum of three (3) hours. Billings for such reductions are limited to no more than two (2) days per fiscal year.

7) Contractors of ISE and IDS will be paid for each hour of support provided to the Participant up to the maximum annual hours per the CSA

8. Maximum Financial Commitment. The DDS shall reimburse a Contractor up to the lesser of the maximum financial commitment or the total utilization of all CSAs. Any increase or decrease to the maximum financial commitment of the Contract will require an amendment to the Contract.

9. Expenditures. The Contractor agrees to maintain a separate cost center for each type of program specified under this Contract. Contractors receiving funding from DDS under this award will adhere to the OPM's Cost Standards. OPM's Cost Standards (Part II, Section C, Subsection 1) establish the criteria to be applied to determine the allowability of costs funded by the DDS. These Cost Standards also establish costs that are specifically allowable, costs that are specifically unallowable, and they establish documentation requirements for costs that can be funded under this award.

10. Budget Variance. Subject to the provisions of this paragraph, the Contractor may make the following budget variances without DDS approval: line category expense changes within major cost categories such as salaries, employee benefits, non-

salary, “administrative” and “general.” Any budget variance that would exceed twenty percent (20%) of the major cost categories, but does not increase or decrease the maximum financial commitment, must be approved by DDS through a revised OP. Any budget variance within this Contract must be applied to cost centers within this contract. Any additional revenue generated under this Contract must be disclosed to DDS. Any expenditure from revenue generated under this contract for costs not related to the Contract must be discussed with and approved by DDS prior to the expenditure.

11. Financial Reporting Requirements. The Contractor shall submit to DDS the applicable financial report for any expenditure of state-awarded funds made by the Contractor in accordance with Part 2, Section C (5).

(a) Contractors subject to the federal and state single audit standards shall provide financial reports upon completion of each fiscal year during the term of this award or upon termination of this contract. The following reports are required.

1) Contractors that received financial compensation of three hundred thousand dollars (\$300,000) or more in a fiscal year from DDS shall prepare and deliver to DDS an Annual Report of Residential and Day Services, a cost report and performance reporting document for the fiscal year, which reconciles to audited financial statements prepared and filed in accordance with federal Single Audit Act requirements and C.G.S. §§ 4-230 through 4-236, as amended. Audited financial statements, notes to same, Management Report, and the auditor’s opinion letter shall accompany the Annual Report filing.

2) Contractors that received financial compensation of less than three hundred thousand dollars (\$300,000) in a fiscal year from DDS shall prepare and deliver an End of Year Expense Report. In addition, the End of Year Expense Report shall be reconciled to the audited financial statements and filed in accordance with federal Single Audit Act requirements and C.G.S. §§ 4-230 through 4-236, as amended. Audited financial statements, notes to same, Management Report, and the auditor’s opinion letter shall accompany the Annual Report filing.

(b) Contractors not subject to the federal and state single audit standards shall provide financial reports upon completion of each fiscal year during the term of this award or upon termination of this Contract. The following reports are required.

1) Contractors that received financial compensation of three hundred thousand dollars (\$300,000) or more in a fiscal year from DDS shall prepare and deliver to the DDS an Annual Report certified by an independent public accountant as defined by C.G.S. §7-391. The Annual Report shall be completed in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards. In addition, contractors are required to submit audited financial statements, notes to same, Management Report, and the auditor's opinion letter.

2) Contractors that received financial compensation of one hundred thousand dollars (\$100,000) but less than three hundred thousand dollars (\$300,000) in a fiscal year from DDS shall prepare and deliver an End of Year Expense Report. In addition, contractors are required to submit a report performed by an independent public accountant on a set of Agreed upon Procedures developed by DDS.

3) Contractors that received financial compensation of less than one hundred thousand dollars (\$100,000) in a fiscal year from DDS shall prepare and deliver an End of Year Expense Report. Contractors will be exempt from submitting audited financial statements or Agreed upon Procedures. The exemption is only for the fiscal year in which the financial compensation is less than one hundred thousand dollars (\$100,000).

(c) Annual Report and End of the Year Expense Report filings are due on October 15th or the first business day thereafter. For each day that a Report is not filed, following the dates specified in this contract, a penalty of one half of one percent (.50%) of the current monthly payment attributable to administrative and general expenses shall be assessed from the total monthly payment for the first thirty (30) days; three-quarters of one percent (.75%) for the second thirty (30) days and one percent (1.0%) beyond sixty (60) days. This penalty shall result in a reduction in payment for the month following the calculation of the penalty.

(d) The Commissioner of DDS may waive imposition of the penalty if he deems that extraordinary circumstances prevented the timely filing of the Annual Report or the End of the Year Expense Report. The waiver shall be granted according to terms and for a period of time established by the Commissioner of DDS. An organization must request a waiver, in writing, prior to the filing dates specified in these regulations. The Commissioner or designee will respond within fourteen (14) business days to a provider request for a waiver of penalty fees.

(e) The end of the year recoupment of excess funding will be based on the submitted Financial Report. All records shall be available for review at a place and time determined by DDS or the CT Department of Social Services.

(f) In the event that the end of the fiscal year does not coincide with the close of the Contractor's fiscal year and DDS has issued an exemption to the Financial Report process to the Contractor, DDS may, upon written request of the Contractor, grant a deferral of the audit/statement of income and expenses requirements until ninety (90) days after the close of the Contractor's fiscal year. In the event that a deferral is granted and the Contractor is not subject to federal and state single audit requirements, the Contractor will forward an unaudited statement of income and expenses within thirty (30) days following the termination of this Contract.

7. Surplus or Excess Compensation. The Contractor agrees that subsequent to the end of each fiscal year or the termination of this Contract, any excess financial compensation received for DDS Services above the reported actual allowable expenditures will be returned to DDS in accordance with applicable regulations and/or terms of this Contract. DDS will notify the Contractor of the excess compensation calculation at least thirty (30) days prior to the payment adjustment. Excess funding provided to Contractors who have complied with Contract requirements and met service levels will be recouped in equal installments over the next three (3) payments. DDS will not compensate the contractor for any deficits resulting from the execution of this Contract. The requirements of this provision shall survive and remain enforceable notwithstanding any termination of this Contract.

a) The DDS will recoup at a one hundred percent (100%) recovery rate the difference between the financial compensation and the reported actual allowable expenditures made by an organization in compliance with the performance requirements within the specific funded program (Day, CLA, IHS and CRS, and CCH Supports) pursuant to this Contract.

b) The excess compensation from one specific DDS program (Day, CLA, IHS and CRS, and CCH Supports) may be applied against negative expense variances in other programs (Day, CLA, IHS and CRS, and CCH Supports.)

PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

- A. **Definitions.** Unless otherwise indicated, the following terms shall have the following corresponding definitions:
1. **“Bid”** shall mean a bid submitted in response to a solicitation.
 2. **“Breach”** shall mean a party’s failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
 3. **“Cancellation”** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
 4. **“Claims”** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
 5. **“Client”** shall mean a recipient of the Contractor’s Services.
 6. **“Contract”** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
 7. **“Contractor Parties”** shall mean a Contractor’s members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this Contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
 8. **“Data”** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
 9. **“Day”** shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
 10. **“Expiration”** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract’s term being completed.
 11. **“Force Majeure”** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
 12. **“Personal Information”** shall mean any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual including, but not limited to, such individual's name, date of birth, mother's maiden name, motor vehicle operator's license number,

Social Security number, employee identification number, employer or taxpayer identification number, alien registration number, government passport number, health insurance identification number, demand deposit account number, savings account number, credit card number, debit card number or unique biometric data such as fingerprint, voice print, retina or iris image, or other unique physical representation. Without limiting the foregoing, Personal Information shall also include any information regarding clients that the Department classifies as “confidential” or “restricted.” Personal Information shall not include information that may be lawfully obtained from publicly available sources or from federal, state, or local government records which are lawfully made available to the general public.

13. **“Personal Information Breach”** shall mean an instance where an unauthorized person or entity accesses Personal Information in any manner, including but not limited to the following occurrences: (1) any Personal Information that is not encrypted or protected is misplaced, lost, stolen or in any way compromised; (2) one or more third parties have had access to or taken control or possession of any Personal Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Personal Information together with the confidential process or key that is capable of compromising the integrity of the Personal Information; or (4) if there is a substantial risk of identity theft or fraud to the client, the Contractor, the Department or State.
14. **“Records”** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
15. **“Services”** shall mean the performance of Services as stated in Part I of this Contract.
16. **“State”** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
17. **“Termination”** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. Client-Related Safeguards.

1. Inspection of Work Performed.

- (a) The Agency or its authorized representative shall at all times have the right to enter into the Contractor or Contractor Parties’ premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed in accordance with Conn. Gen. Stat. § 4e-29 to ensure compliance with this Contract. The Contractor and all subcontractors must provide all reasonable facilities and assistance to Agency representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this Section shall be made available to the Contractor.
- (b) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.

2. Safeguarding Client Information. The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.

3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); C.G.S. § 46a-11b (relative to persons with mental retardation); and C.G.S. § 17b-407 (relative to elderly persons).
4. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. Contractor Obligations.

1. **Cost Standards.** The Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM on the Web at http://www.ct.gov/opm/fin/cost_standards.
2. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
3. **Organizational Information, Conflict of Interest, IRS Form 990.** During the term of this Contract and for the one hundred eighty (180) days following its date of Termination and/or Cancellation, the Contractor shall upon the Agency's request provide copies of the following documents within ten (10) Days after receipt of the request:
 - (a) its most recent IRS Form 990 submitted to the Internal Revenue Service, and
 - (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

This provision shall continue to be binding upon the Contractor for one hundred and eighty (180) Days following the termination or cancellation of the Contract.

4. **Federal Funds.**
 - (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.

- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
 - (1) Contractor acknowledges that it has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in cancellation or termination of this Contract.
 - (2) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (c) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (d) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform Services in connection with such program. The Agency may cancel or terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. Audit Requirements.

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State, including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.

- (d) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.
- 6. Related Party Transactions.** The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. “Related party” means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. “Related party transactions” between a Contractor or Contractor Party and a related party include, but are not limited to:
- (a) Real estate sales or leases;
 - (b) leases for equipment, vehicles or household furnishings;
 - (c) Mortgages, loans and working capital loans; and
 - (d) Contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.
- 7. Suspension or Debarment.** In addition to the representations and requirements set forth in Section D.4:
- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
 - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);
 - (2) within a three year period preceding the effective date of this Contract, have not been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; for violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
 - (3) 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 above offenses; and
 - (4) Have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
 - (b) Any change in the above status shall be immediately reported to the Agency.
- 8. Liaison.** Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.
- 9. Subcontracts.** Each Contractor Party’s identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability

under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.

10. Independent Capacity of Contractor. The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.

11. Indemnification.

- (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:
 - (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the “Acts”) of the Contractor or Contractor Parties; and
 - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys’ and other professionals’ fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor’s obligations under this section to indemnify, defend and hold harmless against Claims includes Claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.
- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such Claims.
- (c) The Contractor’s duties under this Section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys’ and other professionals’ fees expended in pursuing a Claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) Professional Liability. \$1,000,000 limit of liability, if applicable; and/or
- (d) Workers' Compensation and Employers Liability. Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.

13. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.
- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

14. Compliance with Law and Policy, Facility Standards and Licensing. Contractor shall comply with all:

- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the

Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and

- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

15. Representations and Warranties. Contractor shall:

- (a) perform fully under the Contract;
- (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

16. Reports. The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.

17. Delinquent Reports. The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.

18. Record Keeping and Access. The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.

19. Protection of Personal Information.

- (a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Personal Information Breach any and all Personal Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.

<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>

- (b) Each Contractor or Contractor Party shall implement and maintain a comprehensive data security program for the protection of Personal Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Personal Information, and information of a similar character, as set forth in all applicable federal and state

law and written policy of the Department or State concerning the confidentiality of Personal Information. Such data-security program shall include, but not be limited to, the following:

- (1) A security policy for employees related to the storage, access and transportation of data containing Personal Information;
 - (2) Reasonable restrictions on access to records containing Personal Information, including access to any locked storage where such records are kept;
 - (3) A process for reviewing policies and security measures at least annually;
 - (4) Creating secure access controls to Personal Information, including but not limited to passwords; and
 - (5) Encrypting of Personal Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) The Contractor and Contractor Parties shall notify the Department and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Personal Information which Contractor or Contractor Parties possess or control has been subject to a Personal Information Breach. If a Personal Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Department and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Personal Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Personal Information Breach. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from the Department, any State of Connecticut entity or any affected individuals.
- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Personal Information in the same manner as provided for in this Section.
- (e) Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to HIPAA or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of the Department.

20. Workforce Analysis. The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.

21. Litigation.

- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
- (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or

amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

22. **Sovereign Immunity.** The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

Section D. Changes to the Contract, Termination, Cancellation and Expiration.

1. Contract Amendment.

- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the OAG.
- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
- (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
 - (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:
- (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
 - (2) no later than ten (10) days from the effective date of any change in:
 - (A) its certificate of incorporation or other organizational document;
 - (B) more than a controlling interest in the ownership of the Contractor; or
 - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating

from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.

- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
 - (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
 - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
 - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract cancellation date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the cancellation date, no further action shall be required of any party to effect the cancellation as of the stated date. If the notice does not set forth an effective Contract cancellation date, then the non-breaching party may cancel the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
 - (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
 - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
 - (3) permanently discontinue part of the Services to be provided under the Contract;
 - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;

- (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
 - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
 - (7) any combination of the above actions.
- (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
 - (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
 - (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.
4. **Non-enforcement Not to Constitute Waiver.** No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.
5. **Suspension.** If the Agency determines in its sole discretion that the health and welfare of the Clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the Clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.
6. **Ending the Contractual Relationship.**
- (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party or cancelled. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.
 - (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.

- (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.14, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.
- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party or cancelled within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination or cancellation for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason, cancelled or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. Statutory and Regulatory Compliance.

1. Health Insurance Portability and Accountability Act of 1996.

- (a) If the Contactor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract (“Agency”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423), and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
 - (1) “Breach” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(1)).
 - (2) “Business Associate” shall mean the Contractor.
 - (3) “Covered Entity” shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
 - (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
 - (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(5)).
 - (6) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
 - (7) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
 - (8) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.

- (9) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
 - (10) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (11) “More stringent” shall have the same meaning as the term “more stringent” in 45 C.F.R. § 160.202.
 - (12) “This Section of the Contract” refers to the HIPAA Provisions stated herein, in their entirety.
 - (13) “Security Incident” shall have the same meaning as the term “security incident” in 45 C.F.R. § 164.304.
 - (14) “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
 - (15) “Unsecured protected health information” shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
 - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
 - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
 - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
 - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
 - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
 - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.

- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
 - (A) restrict disclosures of PHI;
 - (B) provide an accounting of disclosures of the individual's PHI; or
 - (C) provide a copy of the individual's PHI in an electronic health record,the Business Associate agrees to notify the covered entity, in writing, within five (5) business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
 - (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
 - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations

(16) Obligations in the Event of a Breach.

- (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. § 17932(b)) and this Section of the Contract.
- (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. § 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
- (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
 2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
 3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
 4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
 5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.
- (D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site or a postal address. For breaches involving ten or more individuals whose contact information is insufficient or out of date to allow written notification under 45 C.F.R. § 164.404(d)(1)(i), the Business Associate shall notify the Covered Entity of such persons and maintain a toll-free telephone number for ninety (90) days after said notification is sent to the Covered Entity.

Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.

- (E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

(i) Permitted Uses and Disclosure by Business Associate.

- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(2) Specific Use and Disclosure Provisions

- (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
- (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(j) Obligations of Covered Entity.

- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data

aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.

(l) Term and Termination.

- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
 - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
 - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(3) Effect of Termination.

- (A) Except as provided in (1)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
- (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Sections.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.

- (2) Amendment. The Parties agree to take such action as in necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

2. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time ("Act") to the extent applicable, during the term of the Contract. The Agency may cancel or terminate this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
3. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this Contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to

time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.

5. **Non-discrimination.**

(a) For purposes of this Section, the following terms are defined as follows:

- (1) "Commission" means the Commission on Human Rights and Opportunities;
- (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
- (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
- (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
- (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
- (6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
- (7) "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
- (8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;
- (9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
- (10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any

manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

(g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under

this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

6. Freedom of Information.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 *et seq.* (“FOIA”) which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).
- (b) Governmental Function. In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a “person” performing a “governmental function”, as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor’s performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.

7. Whistleblowing. This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a “large state contract” as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee’s disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day’s continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

8. Executive Orders. This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of Governor M. Jodi Rell,

promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Agency shall provide a copy of these Orders to the Contractor.

9. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission's ("SEEC") notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:

www.ct.gov/seec



Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (*italicized words are defined on the reverse side of this page*).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, www.ct.gov/seec. Click on the link to "Lobbyist/Contractor Limitations."



DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

"Subcontractor" means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. "Subcontractor" does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a subcontractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

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