Washington State Health Care Authority

PURCHASED SERVICES CONTRACT

HCA Contract Number:

☒ Resulting From Competition Number: K559

☐ Competition Exempt

This Contract is between the State of Washington Health Care Authority (HCA) and the Contractor identified below, and is governed by chapter 43.19 RCW.

Contractor Contract Number: K619 – Service Area 2

CONTRACTOR NAME Corporate Translation Services, Inc.		CONTRACTOR doing business as (DBA) CTS LanguageLink	
CONTRACTOR ADDRESS 911 Main Street, Suite 10 Vancouver, WA 98660		WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI) 601294245	HCA INDEX NUMBER
CONTRACTOR CONTACT Sarah Gamble	CONTRACTOR TELEPHONE 800-208-2620	CONTRACTOR FAX	CONTRACTOR E-MAIL ADDRESS Contracts@ctslanguagelink.com
HCA DIVISION Health Care Services (HCS)	HCA INDEX NUMBER		HCA CONTRACT CODE
HCA CONTACT NAME AND TITLE Walter Neal Interpreter Services Program Manager	HCA CONTACT ADDRESS 628 8th Avenue SE Olympia, WA 98504-5530		
HCA CONTACT TELEPHONE 360-725-1703	HCA CONTACT FAX		HCA CONTACT E-MAIL ADDRESS Walter.neal@hca.wa.gov
IS THE CONTRACTOR A SUB-RECIPIENT FOR PURPOSES OF THIS CONTRACT?		CFDA NUMBER(S) 93.778	
CONTRACT START DATE July 23, 2012 CONTRACT SERVICE START DATE (When contractor is providing service direct to client's, and can begin charging administrative rates): September 1, 2012	CONTRACT END DATE August 31, 2015	MAXIMUM CONTRACT AMOUNT Service Area 2 – Eastern Washington $7,575,000.00	

EXHIBITS. The following Exhibits are attached and are incorporated into this Contract by reference:

☒ **Data Security: Attachment A--** Data Security Requirements,
☒ **Exhibits (specify):**
Exhibit A, Interpreter Services Service Areas
Exhibit B, Sample Contract
Exhibit C, Certification and Assurances
Exhibit D, Interpreter Code of Ethics
Exhibit E, Technical/Management, Experience, and Qualifications Proposal and Response Template
Exhibit F, Interpreter Services Cost Proposal
Exhibit G, Summary of Proprietary Information
Exhibit H, Certification of Mandatory Requirements and Mandatory Qualifications
Exhibit I, Information and Data on Languages
Bidders Response to RFP K559.
☐ **No Exhibits.**

The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise regarding the subject matter of this Contract, between the parties. The parties signing below represent they have read and understand this Contract, and have the authority to execute this Contract. This Contract shall be binding on HCA only upon signature by HCA.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
Pamela Ballard	Pamela Ballard, COO	7/23/12
HCA SIGNATURE	**PRINTED NAME AND TITLE**	**DATE SIGNED**
	Doug Porter, Director of HCA	7/24/12

1. **Definitions Specific to Special Terms.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:

a. "Administrative Costs" means the Contractor's costs of operations (salaries, accounting, information technology, supplies, utilities etc.), not including expenses or payment to Interpreters for direct services. Also does not include Service Costs.

b. "AFSCME" means the American Federation of State, County and Municipal Employees.

c. "AFSCME PEOPLE" means Public Employees Organized to Promote Legislative Equality. PEOPLE contributions are used to support elected officials. All contributions to AFSCME PEOPLE are voluntary and are used for political purposes.

d. "Allowable Interpreter Service Mileage Units" means the number of miles authorized for reimbursement when Interpreter travels ten (10) miles or more one way.

e. "Allowable Interpreter Service Units" means the number of Units of interpreting authorized for payment by the Contractor.

f. "Appointment Record" means the electronic or paper form used by the Requestor, the Interpreter, and the Contractor to record and track an interpretation Encounter.

g. "Authorized Requestor" or "Requestor" means contracted Healthcare Providers who are authorized by Health Care Authority (HCA) to make Requests or Department of Social and Health Services (DSHS) staff and HCA Interpreter Services Manager for Spoken Language and Sign Language Interpreter Services.

h. "Business Days and Hours" means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the State of Washington.

i. "Bordering Cities" means cities in Idaho and Oregon where Clients may receive medical care on the same basis as in-state care. The only recognized Bordering Cities are: In Idaho: Coeur d'Alene, Moscow, Sandpoint, Priest River, and Lewiston; In Oregon: Portland, The Dalles, Hermiston, Hood River, Rainier, Milton-Freewater, and Astoria.

j. "Cancelled Appointment (non-billable)" means a Request that has been filled, and is canceled by the Requestor beyond twenty-four (24) hours prior to the appointment date and time.

k. "Cancelled Appointment (billable)" means a Request that has been filled, and is canceled by the Requestor twenty-four (24) hours or less prior to the appointment date and time.

l. "Client/Clients" means any person determined eligible for, and/or receiving federally reimbursable Title XIX and XXI covered services from the Agency; or any applicant or recipient for or of DSHS services from the Department.

m. "Code of Federal Regulations" (CFR) means the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government.

n. "Code of Professional Conduct" or "Language Interpreter and Translator Code of Professional Conduct" means DSHS established performance standards to be met by Interpreters when providing services under this contract. See Exhibit D, Interpreter Code of ethics.

o. "Complaint" means any criticism, in any format made on behalf of, or by a Client or Requestor regarding direct or contracted services, under this Contract.

p. "Contract Manager(s)" means the assigned manager(s) of HCA referred to herein as the HCA Interpreter Program Manager and the managers' designees within the Division of Health Care Services, Interpreter Services Unit.

q. "Contract Mileage Reimbursement Rate" means fifty (50%) percent of the prevailing mileage rate as established by the Office of Financial Management (OFM) per the CBA.

r. "Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, members, officers, directors, partners, employees, and/or Agents, unless otherwise stated in the Contract. For purposes of any permitted Subcontract, "Contractor" includes any Subcontractor and its owners, members, officers, directors, partners, employees and/or Agents. For purposes of this Contract, the Contractor shall not be considered an employee or Agent of HCA.

s. "Control Number" means the number assigned to an Interpreter Service appointment by the Contractor at the time the appointment is Requested by the Requestor.

t. "Customer Services Center" means the Contractor(s) primary office or business location used to station staff to process, schedule, assign, and manage Requests for Interpreting Services.

u. "DSHS Authorized Interpreter (Authorized)" means an Interpreter who has passed the department's screening examination in a non-certified language.

v. "DSHS Certified Interpreter (Certified)" means an Interpreter who has passed one or both of the following fluency examinations:

(1) The department's social service Interpreter examination in a certified language;

(2) The department's medical Interpreter examination in a certified language.

(a) "Certified Languages for Interpreters" include Spanish, Russian, Mandarin Chinese, Cantonese Chinese, Vietnamese, Korean, Cambodian, and Laotian.

w. "DSHS Recognized Interpreter (Recognized)" means an Interpreter who is certified by:

(1) the State of Washington Office of the Administrator for the Courts Interpreter certification examination; or

(2) the Federal courts Interpreter certification examination; or

(3) a non-profit, non self-serving organization's credible Interpreter certification examination recognized by the department.

x. "Encounter" means an Interpreter Service appointment, scheduled by the Contractor at the Request of the Requestor, which has been completed.

y. "Financial and Operating Report" means the Contractor's financial statements and operating statements consistent with general standards of accounting.

z. "Force Majeure" means an occurrence that is beyond the control of either party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, terrorism, epidemics, or other similar occurrences.

aa. "Health Care Authority (HCA)" or "Agency" or "the Authority" means the designated single state agency for purposes of Title XIX of the federal social security act, created pursuant to chapter 41.05 RCW.

bb. "Interpreter Service Rate" means the amount paid to the Interpreter for Interpreter Services as established by this Contract.

cc. "Insured" means a person who or an entity that is covered or protected by an insurance policy.

(1) "Additional Insured" means a person or entity that is covered by an insurance policy but is not the primary Insured.

(2) "Named Insured" means a person or entity designated in an insurance policy as the one covered by the policy.

dd. "Interpreter" means the individual who transfers a message from one language to another:

(1) Spoken language Interpreter – an individual who facilitates communication between individuals who speak different languages; Spoken language Interpreter listens to the spoken words, inflections, and intent in one language and simultaneously or consecutively renders the message to another spoken language.

ee. "Interpreter Services Program" means the program established to ensure equal access to services by providing Spoken and Sign Language Interpreter Services to Authorized Requestors.

ff. "Key Personnel" means individuals employed by the Contractor who occupy the position of manager, Contract representative, or contact person or equivalent for the Contractor.

gg. "Language Testing and Certification Program (LTC)" means the section within DSHS that is responsible for the administration of testing and certification in foreign languages for DSHS employees, contracted Interpreters and translators.

hh. "Limited English Proficiency (LEP)" means a limited ability or inability to speak, read or write English well enough to understand and communicate effectively in normal daily activities.

ii. "Medicaid" as defined in WAC 182-500-0070, means the federal aid Title XIX program of the Social Security Act under which medical care is provided to eligible Clients.

jj. "No-Show" means the result of a Client, HCA employee, DSHS employee, Interpreter, or health care provider not keeping an appointment and failing to cancel the appointment.

kk. "Organizational Index Code" means the HCA or DSHS number that identifies which Administration received a service.

ll. "Request" means each contact by a Requestor with a Contractor seeking an Interpreter for a specific language, date and time:

(1) "Denied Request" means any Request for Interpreter Services that is not within the scope of this Contract and is denied at the time of the Request.

(2) "Filled Request" means the status of a Request once a specific Interpreter has been assigned.

(3) "Urgent Request" means referring to Interpreter Services which are Requested with less than one (1) day notice and/or after the Contractor's regular business hours, which cannot wait for a response until the next regular business day of the Contractor.

(4) "Pending Request" means the status of a Request until a specific Interpreter has been assigned to the appointment.

(5) "Unfilled Request" means any Request for Interpreter Services that is within the scope of this Contract but remains unfilled after the Requested appointment time.

mm. "Regional Support Network" or "RSN" or its Successor, means the entity Contracted with the Department of Social and Health Services Division of Behavior Health and Recovery for the provision of mental health and related services to the population of a defined geographic area of Washington State.

nn. "Service Area" means that portion or section of the State of Washington, as explained in Exhibit A, Interpreter Services Service Area. It may include Bordering Cities of other states contiguous with the State of Washington, if Clients typically use approved medical services therein.

oo. "Service Cost" means the actual total cost (Interpreter Service payment, mileage, and other expense reimbursement) of providing Interpreter Services. Does not include Administrative Costs.

pp. "State Children's Health Insurance Program" (S-CHIP) means the federal aid Title XXI program of the Social Security Act under which medical care is provided to eligible children.

qq. "Subcontract" means any separate agreement or contract between the Contractor and an individual, or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is required to perform pursuant to this Contract.

rr. "Translation" means the written transfer of a message in a written document from one language to another.

ss. "Trip" means a one-way transportation event that begins when an Interpreter travels to or from an appointment.

tt. "Union" means the Washington Federation of State Employees, AFSCME, Council 28, AFL-CIO in accordance with the provisions of RCW 41.56.

uu. "Unit(s)" or "Service Unit(s)" means a period of time, See also "Allowable Interpreter Service Units":

(1) for In-person Interpreting fifteen (15) minutes;

(2) for Telephone and VRI one (1) minute.

vv. "Unallowable Charges" means claims for services not approved for payment in this Contract, and which will not be reimbursed by HCA.

ww. "Urgent Care" means an unplanned appointment for a covered medical service with verification from an attending physician or facility that the Client must be seen that day or the following day.

HCA Only Definitions

a. "Benefit Services Package" means the set of healthcare service categories included in a client's eligibility program as determined by HCA.

b. "Certified Sign Language Interpreter" means a Sign Language Interpreter who has demonstrated, through performance and knowledge tests, their ability to meet the minimum standards to both expressively and receptively interpret effectively, accurately, and impartially. A certified Interpreter has been awarded certification by the Registry of Interpreters for the Deaf (RID) and/or the National Association of the Deaf (NAD), is an active member of the organization(s) holding his/her certification, and has complied with his/her Certification Maintenance Program (CMP) requirements.

c. "Consecutive Appointments" means Appointments that are Requested by the same Authorized Requestor or taking place in the very close proximity to one another (e.g., same clinic, hospital, or facility) using the same Interpreter and beginning, or scheduled to begin within thirty (30) minutes of the last completed appointment.

d. "Covered Service" is a healthcare service contained within a "service category" that is included in a medical assistance Benefit Service Package described in WAC 182-501-0060.

e. "Eligibility Data" means Client personal information supplied by HCA, including Title XIX and Title XXI program coverage.

f. "Healthcare Provider" means an institution, agency, or person that is licensed, certified, accredited, or registered according to Washington state laws and rules, and:

(1) Has signed a core provider agreement or signed a contract with HCA or HCA's designee, and is authorized to provide healthcare, goods, and/or services to medical assistance Clients; or

(2) Has authorization from a Managed Care Organization (MCO) that contracts with HCA or HCA's designee to provide healthcare, goods, and/or services to eligible medical assistance Clients enrolled in the MCO plan.

g. "Interpreter" means the individual who transfers a message from one language to another:

(1) "Sign Language Interpreter" – an individual who facilitates communication between hearing individuals who communicate in Spoken Language and individuals who communicate in Sign Language; Sign Language Interpreter listens to the spoken words, inflections, and intent and simultaneously renders them into Sign Language using the mode of communication preferred by the individual who communicates in Sign Language. The Sign Language Interpreter must also be able to comprehend the signs, inflections, and intent of the individual who communicates in Sign Language and speak them in articulate, appropriate English.

h. "Medically Necessary" as defined in WAC 182-500-0070, means a term for describing Requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate or prevent worsening of conditions in the Client that endanger life, or cause suffering or pain, or result in an illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction. There is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the Client Requesting the service. For the purposes of this section, "course of treatment" may include mere observation or, where appropriate, no medical treatment at all.

i. "National Association of the Deaf (NAD)" means a national membership association that previously administered testing for certification of Sign Language Interpreters. NAD testing was replaced by the joint NAD-RID development of the National Interpreting Certification (NIC) testing system. NAD certified Interpreters have been incorporated into RID's Certification Maintenance Program and their credentials are maintained by RID http://rid.org/.

j. "National Interpreting Certification (NIC)" means new Interpreting certifications with three (3) levels developed by the joint NAD-RID Task Force. Testing is administered by RID http://rid.org/.

k. "National Provider Identification (NPI)" is a federal system for uniquely identifying all providers of healthcare services, supplies, and equipment.

l. "Registry of Interpreters for the Deaf (RID)" means a national membership association that administers testing for certification of Sign Language Interpreters. RID testing for RID certification was replaced by the joint NAD-RID development of the National Interpreting Certification (NIC) testing. RID certified Interpreters are grandfathered into the NIC certification system.

m. "Transaction Control Number (TCN)" means the eighteen (18) digit number that the ProviderOne assigns to each claim received. The TCN is commonly referred to as the "claim number".

DSHS Only Definitions

a. "Block of Time Appointment" means a method of scheduling an Interpreter for a block of time (typically 2 to 8 hours a day), rather than for a specific appointment, to meet the needs of several Clients that speak the same language.

2. **Purpose**. The purpose of this Contract is to provide Spoken and Sign language Interpreter Services to:

a. Contracted health care providers using different modalities of interpretation (in-person, telephonic and Video Remote Interpreting) to assist Healthcare Providers in ensuring equal access to services for eligible Federally reimbursable (Title XIX and Title XXI) covered Clients who are limited English proficient (LEP) or who are deaf, deaf-blind or hard of hearing. HCA will phase-in the modalities under this contract. HCA will start with in-person interpretation. Once a per minute rate is established through the collective bargaining process telephonic and VRI interpretation will start to be administered under this contract.

b. DSHS Authorized Requestors at social service appointments for in-person spoken language Interpreter Services.

c. Other State Agencies.

3. **Statement of Work**. The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

a. Service Area

The Contractor's Service Area for this Contract shall include the following (including the border cities):

(1) Service Area: 2 - Eastern Washington to include: Okanogan, Chelan, Douglas, Kittitas, Yakima, Klickitat, Benton, Grant, Lincoln, Adams, Franklin, Walla Walla, Columbia, Asotin, Garfield, Whitman, Ferry, Pend Oreille, Spokane and Stevens Counties.

b. Administration

The Contractor must:

(1) Maintain a business location in the Contractor's Service Area.

(2) Assume sole responsibility for all work performed under this Contract by:

(a) The Contractor's employees, officers, directors, Agents, representatives, and associates;

(b) Interpreter Service Subcontractors;

(c) The Contractor (and its employees, volunteers and board) shall have no legal affiliations or connection to any Subcontractor over which they have control or from whom they directly or indirectly benefit.

(3) Adhere to the terms and conditions of the Collective Bargaining Agreement (CBA) as currently existing, or as hereafter amended and any successor CBA:

http://interpretersunited.wfse.org/Docs/LAP_2011-13_20120322.pdf

c. Customer Service Requirements

The Contractor must:

(1) Provide In-person Interpreter Services through direct written Subcontracts with Authorized, Certified, or Recognized Interpreters within the Contractor's Service Area.

(2) Provide Telephonic and Video Remote Interpretation (VRI) modalities of interpretation either through employees, direct contracts, or Subcontracts.

(3) Process, schedule, assign, and manage Requests utilizing web-based/online technology (see e.g., Request Processing) Monday through Friday, 8:00 a.m. to 5:00 p. m., Pacific Time.

(4) Accommodate Requests via email, telephone or facsimile transmission technologies during Business Days and Hours, Monday through Friday, 8:00 a.m. to 5:00 p. m., Pacific Time.

(5) Provide Authorized, Certified or Recognized Interpreters utilizing the following modalities of interpretation: Telephonic, Video Remote Interpretation (VRI), and in-person.

(6) Provide a toll-free number for Requesting Interpreter Services. A local telephone number may also be provided for those Requestors within the local calling area.

(7) Provide adequate staff and telephone lines to achieve ninety-five percent (95%) of all incoming calls, including hearing-impaired system calls, to be answered within thirty (30) seconds.

(8) A phone answering machine or electronic voice mail may be used when offered as an option to the Requestor; however, Requestors shall be given the option of staying in queue to reach a staff person during regular business hours.

(9) Provide adequate staff to process, schedule, assign, manage and monitor the web-based/online scheduling system.

(10) Remit amounts due to Interpreters no later than seven business days after receipt of the payment for Interpreter Services from HCA or DSHS.

(11) Utilize and complete the Appointment Record Form either electronically or in paper for all appointments and Encounters.

(12) Ensure the Appointment Record Form is completed by both the Requestor and Interpreter for in-person appointments.

(a) Authorized Requestors must document the arrival and departure times of the Interpreter, and the appointment start and end times. This may be completed by electronic or paper means.

(b) The Appointment Record Form will be made available on the HCA website to Requestors and Interpreters.

(13) Upon receipt of a Request from a Requestor, or from HCA staff, schedule Interpreter Services in conjunction with a Client's health care appointment.

(14) Have the capability to receive client eligibility information provided by HCA.

(15) Have personnel policies that conform to all federal, Washington State, and local statues and ordinances.

(16) Update all written materials within fifteen (15) business days after receiving an Interpreter Services (IS) program or policy change from HCA.

(17) Maintain a list of current Contractor employees assigned to the performance of this Contract, including employees' names, titles, supervisory relationships, and in organizational chart format; provide the list immediately to HCA staff upon Request.

(18) Establish and maintain an ombudsperson position; or a trained staff person whose responsibility is resolving Complaints, including adherence to CBA: http://interpretersunited.wfse.org/Docs/LAP_2011-13_20120322.pdf.

(19) Train Customer Services Center staff on client and Interpreter Service eligibility for services per HCA's benefit services package described in WAC 182-501-0060: http://apps.leg.wa.gov/wac/default.aspx?cite=182-501-0060.

(20) Notify HCA of any emergency/disaster related Customer Service Center closures within twenty-four (24) hours of closure.

(21) The Contractor may:

(a) Close the Customer Service Center in observance of Washington State's observed legal holidays as defined by RCW 1.16.050.

d. Information Requirements

The Contractor must:

(1) Provide and maintain an internet website for Requestors to access information pertaining to Interpreter Services. At a minimum, the website shall contain the following information:

(a) A link to the On-Line Scheduling System.

(b) Information related to the Interpreter Services program.

(c) A link to the HCA Interpreter Services webpage.

(d) Contractor customer service telephone numbers and addresses.

(e) The Contractor Complaint policy and process.

(f) Frequently asked questions and responses; provider manuals and brochures.

(g) Instructions on how to obtain Interpreter Services program information in non-English languages.

(h) HCA reserves the right to Request modifications to the Contractor's website.

(2) Notify the HCA Program Manager of any substantial changes to website content or processes via email. HCA reserves the right to Request to review these documents five (5) business days before posting.

(3) Provide a document with information of the Union's exclusive recognition and the Union security provision to Interpreters within fifteen (15) days of the Interpreter entering the bargaining unit. A copy of the Collective Bargaining Agreement will be provided to the Interpreter at the same time. The Union will provide the information document and copies of the contract for distribution to Interpreters (see section 11.3 of CBA).

e. Requestor Outreach, Training & Education

The Contractor must:

(1) Provide outreach, technical assistance, training and orientation to Requestors as needed, emphasizing:

(a) How to access the Interpreter Services program,

(b) The availability of Interpreters;

(c) The Requestors legal responsibility to provide language access services;

(d) Client eligibility for these services;

(e) The Contractor's Complaint process, and;

(f) Provide an orientation of the Interpreters on requirements in Section f. (7) (a-g) of this Contract.

Related costs shall be borne by the Contractor.

(2) Begin conducting training no later than thirty (30) days after contract start date.

(3) Offer at least three (3) advertised Requestor training sessions per year in the contracted Service Area. Related costs shall be borne by the Contractor.

(4) At least one (1) session per year shall be held physically within the designated Service Area at a location to be determined by the Contractor. HCA may approve subsequent trainings provided via Internet-based technology such as WebEx or another application.

(5) HCA reserves the right to review, approve, and require additional trainings.

f. Contracting with Interpreters

The Contractor must:

(1) Provide Interpreter Services through direct Contracts with Interpreters for in-person appointments.

(2) Include a monitoring plan that will be reviewed by HCA for contracted Interpreter Services provided in order to ensure that such services provided are in compliance with this Contract. HCA reserves the right to Request improvements to the monitoring plan.

(3) Require the Interpreter to complete the Appointment Record either electronically or in paper form.

(4) Require Interpreters to comply with all applicable state and federal laws.

(5) Require Interpreters to provide the Contractor with legible copies of documentation (i.e. documentation needed to ensure adherence to Washington State law for operating motor vehicles) for mileage reimbursement and receipt(s) for other approved travel expenses (including but not limited to tolls, bus, ferry and train fees).

(6) Ensure the Interpreter receives the required orientation prior to providing services under this Contract, including all of the following:

(a) A review of the Language Interpreter and Translator Code of Professional Conduct, WAC 388-03-050 http://apps.leg.wa.gov/wac/default.aspx?cite=388-03-050 Exhibit D, Interpreter Code of Ethics.

(b) Training on how to access and use the online/web based scheduling system.

(c) Explanation of the billing and payment process as referenced in sections 7 Billing and 10 Payment of this contract.

(d) Information regarding requirements for criminal history background checks and self-disclosure statements. The Contractor will be required to perform a criminal history background check on each Interpreter prior to their first instance of providing services to Requestors, and annually thereafter.

(e) Information regarding the Contractor's Complaint and corrective action policies.

(f) Information regarding the requirement to present, upon Request, picture identification at all Interpreter Service appointments.

(g) Information regarding the Requirement to bring verification of DSHS Interpreter Authorization, Certification, or Qualification, to all Interpreter Service appointments, and present this documentation upon Request.

(7) Ensure and document:

(a) All Interpreters:

i. Sign and comply with Exhibit D, Interpreter Code of Ethics.

ii. Present, upon Request from a Requestor or Client, picture identification and DSHS certificate or authorization letter at all Interpreter Service Appointments.

iii. Adhere to the RID-NAD Code of Professional Code of Professional Conduct which can be accessed online at http://www.rid.org/ethics/code/index.cfm.

iv. Adhere to Health Insurance Portability and Accountability Act (HIPAA) requirements, as set forth in the General Terms and Conditions herein.

(b) For In-person appointments:

i. Spoken Language Interpreters are DSHS Authorized, Certified, or Recognized (per DSHS database listings).

(c) For Telephonic and VRI appointments:

i. Spoken language Interpreters are DSHS Authorized, Certified, or Recognized (per DSHS database listings), or have other Interpreter certifications deemed to meet state standards.

(d) Sign Language Interpreters are nationally certified, consistent with industry standards.

(e) All contracted Interpreters:

i. Have a valid Washington State Unified Business Identifier (UBI) number or tax registration number.

g. Request Processing

The Contractor must:

(1) Provide a secure web-based/online portal for Requesting and cancelling Interpreter Services by the Requestor, and accepting, and returning appointments by the Interpreter. The secure web-based/online scheduling portal must:

(a) Provide Requestors the capability to input, edit, and cancel appointments.

(b) Provide Requestors the capability to select the modality of interpretation to be utilized for each appointment.

(c) Provide Requestors the capability to either select a tab, or input comments to allow the Requestor to confirm their selection of a modality of interpretation that is not the lowest cost modality to be utilized for the appointment.

(d) Provide Requestors the capability to select their administration origin:

i. HCA;

ii. DSHS; or,

iii. Medical Provider.

(e) Provide Requestors the capability to Request a specific Interpreter for an appointment.

(f) Provide Requestors the capability to obtain and confirm appointment information that includes at a minimum:

i. If the appointment can be met as Requested;

ii. If the appointment cannot be met as Requested;

iii. If the Request requires additional time for the Contractor to attempt to fill, and;

iv. The estimated cost for each Interpreter appointment by mode of interpretation: in-person, telephonic, or VRI.

(g) Provide the Interpreter the capability to accept appointments.

(h) Provide the Interpreter the capability to return previously accepted appointments;

i. Require written explanation from Interpreters for returned appointments.

ii. Document the frequency of returned appointments by individual Interpreters.

h. HCA/DSHS Response Timeframes – ALL MODALITIES

(1) Accept and process Requests for Interpreter Services at least two (2) business days in advance of a scheduled appointment when Requested Monday through Friday, excluding all legal holidays.

(2) Accept and process Request for Interpreter Services when Requested with less than two (2) business days' notice in advance for an Urgent Care appointment.

(3) Respond to each non-urgent Request within one (1) business day, and inform the Requestor that:

(a) The modality assigned;

(b) The Request is filled;

(c) The Request cannot be filled; or

(d) The Request is pending to allow for additional time to attempt to fill the Request.

(4) Respond to Urgent Requests within four (4) hours, and inform the Requestor that:

(a) The modality assigned;

(b) The Request is filled;

(c) The Request cannot be filled; or

(d) The Request is pending to allow for additional time to attempt to fill the Request.

i. HCA Pre-Appointment Review and Verification

The Contractor must:

(1) Verify at the time of the Request and double check at least two (2) business days prior to an appointment, the Clients eligibility by one (1) of the following methods:

(a) Medical Eligibility Verification utilizing ProviderOne;

(b) Documentation from a authorized HCA representative; or

(c) Verify eligibility from the downloaded Eligibility Data files supplied by HCA (if applicable).

(2) Verify at least two (2) business days prior to an appointment that the appointment is still scheduled as Requested.

(3) Verify the Requestor is an enrolled Medicaid participating provider, or will be accepted by HCA as an enrolled Medicaid participating provider and they have applied for HCA's Core Provider Agreement; and

(4) Verify the health care services to be provided during the appointment are covered by HCA, or would be covered if they were billed to HCA.

(5) Verify on monthly basis that a health care service occurred for which HCA paid an Interpreter Encounter for a Client by performing a verification review on a minimum of ten percent (10%) of Interpreter Encounters.

j. HCA Assigning and Communicating Interpreting Modality

The Contractor must:

(1) Assign the modality of Interpretation selected by the Requestor.

(a) If a state Authorized, Certified, or Recognized Interpreter is not available for in-person, Telephonic or VRI interpretation, the Contractor may use an Interpreter to fill the appointment with other Interpreter certifications, including utilizing out of state Interpreters, or CTS employed interpreters.

(b) The Contractor must document attempts to fill appointments with state Authorized, Certified, or Recognized Interpreters.

(2) Assign the modality of interpretation that is not the lowest cost modality when the Requestor confirms (through tab selection or input comments methods) their selection of the higher cost modality of interpretation.

(3) Assign the closest available Interpreter in proximity to the Requestor's geographic location for In-person appointments.

(4) Give primary consideration to the Requests of individuals with disabilities when assigning an Interpreter modality, as described at Title 28, Judicial Administration CFR Parts 35.160-35.164 and as amended. The CFR can be accessed at: http://www.gpoaccess.gov/cfr/index.html.

k. DSHS Assigning and Communicating Interpreting Modality

(1) Assign the closest available Interpreter in proximity to the Requestor's geographic location for all DSHS In-person Interpreter appointments.

l. The Contractor may accommodate special Requests for assigning a specific Interpreter to an appointment for Request purposes that include at a minimum the following circumstances and documentation:

(a) It is Medically Necessary to assign a specific Interpreter to an appointment as documented in writing by the medical provider; and the medical reason for requesting a specific Interpreter originates from a health care provider/DSHS staff, not his/her staff;

(b) For Continuity of Care, as documented in writing by the health care provider/DSHS staff;

(c) For gender specific Requests, as documented in writing by the health care provider/DSHS staff;

(d) For religious or cultural specific Requests, as documented in writing by the health care provider/DSHS staff; or

(e) When necessitated by the age of the client.

m. Denials & Exceptions

(1) Denials

For Requests paid for by HCA the Contractor must deny and document a Request for Interpreter Services if:

(a) The individual making the Request is someone other than an Authorized Requestor;

(b) The Request is made for a Client who is ineligible for all HCA programs;

(c) The Client would be receiving a health care service that is not covered by HCA;

(d) The Request or Encounter was not coordinated by the Contractor in advance of the appointment time.

For Requests paid for by DSHS, the Contractor must deny and document a Request for Interpreter Services if:

(a) The individual making the Request is someone other than an Authorized Requestor;

(b) The Request or Encounter was not coordinated by the Contractor in advance of the appointment time.

(2) Exceptions

The Contractor must:

(a) Request HCA/DSHS approval for exceptions by email;

(b) Receive approval from the HCA/DSHS Program Manager or designee in writing in order for exceptions to be considered valid; and,

(c) Keep documentation of all Requests for exception(s) and outcomes.

n. Interpreter Services Tracking and Documenting Requirements

(1) The Contractor must establish, maintain, and utilize an electronic system that documents all Interpreter Service Requests, scheduled appointments, and costs. The system must have the capability to generate reports for all billable claims. HCA reserves the right to make future modification to the data the Contractor is required to capture and report.

(2) The system must capture and document per Request, at a minimum the following data:

(a) Organizational Index Code;

(b) Control Number. The Control Number shall be used to track the Request through the system from the time of Request through the appointment and the billing/payment process;

(c) Client's full name, or identifier, county of residence;

(d) Client's ProviderOne ID number; or client's Personal Identification Code or Assistance Unit Number, if available;

(e) Authorized Requestor's full name;

(f) Authorized Requestor's contact information;

(g) Date of Request (not appointment date);

(h) Date and time Requested for services (appointment date);

(i) Appointment Street Address;

(j) Language Requested;

(k) Interpreter modality Requested;

i. Telephonic,

ii. Video-remote (VRI), or

iii. In-person;

(A) If a higher cost modality is selected by the Requestor than the lowest available modality available, include the medical provider's justification.

(l) Approval or denial of service Request, including name of staff making determination, and the reason for denial;

(m) Interpreter assignment confirmation date;

(n) Assigned Interpreters full name;

(o) Date and time services were performed;

(p) Number and dollar amount of Interpreter Service Units billed;

(q) Number and dollar amount of Interpreter Service Travel Units billed;

(r) Amount authorized for other fees incurred (parking, ferry, tolls, etc.).

(3) The system must at a minimum:

(a) Identify an approved Request as "pending" until an Interpreter is assigned to the appointment;

(b) Identify the Request as "Filled" and include the name of the Interpreter when an Interpreter is assigned to the appointment;

(c) Identify the Request as "Unfilled," when an approved Request remains unassigned after the Requested appointment time. The Contractor must provide detailed documentation as to the reason the appointment became Unfilled;

(d) Identify each filled Request as "canceled" when an appointment is canceled any time prior to the appointment date and time. Each time an appointment is canceled, document the following:

i. Service Request Control Number assigned;

ii. Date and time the appointment was canceled;

iii. Who canceled the appointment; and

iv. Reason the appointment was canceled.

(e) Identify each appointment where one or more required party (Client/Provider/Interpreter) does not show for an approved appointment as:

i. "Client No-Show";

ii. "Provider No-Show";

iii. "Interpreter No-Show".

o. Policies and Procedures

The Contractor must develop written policies, procedures and/or manuals, to be submitted to HCA when Requested, that include the following:

(1) Operating Procedures: Develop an operations manual that documents the Contractor's operating procedures. The manual shall be provided to all Interpreters the Contractor has entered into Contract with. The operations procedures manual shall be reviewed and updated annually and whenever changes in operations are made.

(2) Confidentially and Nondisclosure: Policies and/or procedures for ensuring compliance with all state and federal Confidentiality and Nondisclosure requirements.

(3) Language Trends: Policies and/or procedures for Tracking and communicating language trends to HCA, identifying languages in need of additional Interpreter recruitment.

(4) Quality Assurance Plan (QAP): That describes methods for monitoring, Tracking and assessing the quality of services provided under this Contract. The QAP must also describe how the Contractor will identify and resolve issues related to Interpreter quality and/or performance, as well as Requestor/service provider/Client initiated concern and/or Complaint.

(5) Outreach, Training and Education Plan: Develop a plan for educating Requestors (see Statement of Work, Section e., Requestor Outreach, Training & Education).

(6) Disaster Preparedness and Recovery Plan: Develop a plan that addresses at a minimum:

(a) The ability to continue receiving Interpreter Service Requests and other functions required in this contract in the event the Contractor's Customer Service Center is rendered inoperable;

(b) Documentation of emergency procedures that include steps to take in the event of a natural disaster; and

(c) Provisions to ensure employees at the Customer Service Center are familiar with the emergency procedures.

(7) Complaint and Corrective action policies for dealing with a Subcontractor or an Interpreter who has Complaints made of them; violates the Code of Professional Conduct; or whose behavior may require corrective action.

(a) The Complaint policy must:

i. Be made available to all Interpreters upon Request;

ii. Include procedures for receiving, Tracking and responding to Complaints;

iii. Include procedures to document and maintain records of all Complaints received;

iv. Include procedures for resolving Complaints that includes at a minimum the participation of the Contractor's Ombudsperson or assigned staff person to resolve Complaints;

v. Include the requirement that the Contractor must notify an Interpreter within three (3) business days of receipt of any Complaint by any Requestor or Client;

vi. Include methods for the Interpreter to respond to the Complaint before any intervention or corrective action is imposed, unless the Interpreter is alleged to have committed a crime listed in the DSHS Secretary List of Crimes and Negative Actions; or is charged with or convicted of a crime listed in DSHS Secretary's List of Crimes and Negative Actions; This information can be located at: http://www.dshs.wa.gov/bccu/bccucrimeslist.shtml.

vii. Include notification to Interpreters of their ability to continue to provide services during the Complaint process (excluding assignments to the Authorized Requestor that is the complainant), unless the Interpreter is suspended by the Contractor due to DSHS List of Crimes and Negative Actions Violations, or DSHS Code of Conduct Violations.

(b) The corrective action policy must:

i. Delineate appropriate corrective action steps which at a minimum, include the following progressive sequence of interventions;

ii. Counseling or verbal warning;

iii. Written warning;

iv. Temporary suspension of services, or ability to Subcontract;

v. Time-limited suspension of services, lasting no more than three (3) months, depending on severity; and

vi. Termination of the contract with the Interpreter;

vii. Includes procedures to refer Interpreter Code of Conduct violations to DSHS LTC.

(c) The Contractor must provide written notice to the Interpreter within three (3) business days if any of the above corrective actions specified in (b) (i.) - (vi.) above are taken.

(d) Require immediate notification of the HCA Interpreter Services Program Manager, designee or Successor if an Interpreter must be immediately suspended to protect health and safety, and;

(e) Include submittal of an initial written report documenting any allegations of misconduct by an Interpreter by the end of the next business day to the Interpreter Service Program Manager, or Successor;

(f) Include submittal of a final formal report, complete with actions taken, to the HCA Interpreter Services Program Manager, designee or Successor within five (5) business days;

(g) Require immediate notification of the HCA Interpreter Services Program Manager, designee or Successor of any termination of a contract with an Interpreter as a result of the Contractor's corrective action policy.

HCA reserves the right to Request additional information related to Complaints.

HCA will review and approve the Contractor's Complaint and corrective action policies.

p. Required Reports for IS Program Monitoring

The Contractor must submit the following monthly reports electronically to HCA by the twentieth (20th) calendar day of the month following the month of service unless otherwise approved by the HCA Interpreter Services Program Manager, designee or Successor.

(1) Monthly Customer Services Center Report

(a) The Contractor shall submit a Customer Services Center summary report that identifies the following telephone data for the normal business hours (Monday through Friday, 8 hours a day minimum):

i. Total number of incomplete calls that get busy signals;

ii. Average daily phone calls abandoned, listed by:

(A) Incoming; and

(B) From queue;

iii. Average speed of answer (total seconds of delay divided by total number of calls);

iv. Percentage of calls answered within thirty (30) seconds (measured from the end of the Contractor's Interpreter Services greeting message);

v. Average call length;

vi. Average after-call work time;

vii. Average daily phone calls received;

viii. The number of calls completed; and

ix. The amount of time telephone system was inoperable in excess of one (1) hour per incident.

(2) Monthly Interpreter Services Data Report:

(a) The Contractor must submit Interpreter Services data that identifies:

i. Monthly total numbers, by language for:

(A) Total Requests;

(B) Filled Requests;

(C) Unfilled Requests;

(D) No-Shows;

(E) Cancelled appointments;

(F) On-site Interpretation Encounters;

(G) Telephone Interpretation Encounters;

(H) Video Remote Interpretation Encounters;

(I) Interpretation hours billed during this time period;

(b) Monthly total number of appointments and Encounters served with paid mileage;

(c) Monthly total miles billed for appointments and Encounters;

(d) Monthly unduplicated number of Clients served for:

i. The reporting month;

ii. Contract year to date cumulative.

(e) Monthly total number of Encounters scheduled through the online scheduling system.

(f) The percentage of Encounters verified, any improprieties identified, and the corrective action taken.

(3) Monthly Complaint Report:

(a) The Contractor must submit Complaint data that identifies:

i. The number and percentage of Complaints compared to total number of Interpreter Services provided.

ii. Additional information, including but not limited to specific Complaints, as Requested by HCA.

(4) Quality Assurance Report:

i. The Contractor must submit annually on July 1, a Quality Assurance Report that summarizes the information collected per the Quality Assurance plan and describes how the information will be used to improve service delivery, including a timeline for such improvements. The first annual report is due on July 1, 2013.

(5) Outreach Activities Report:

(a) The Contractor must submit annually on July 1, an Outreach Activities Report (OAR) that summarizes outreach activities. The first annual report is due on July 1, 2013. The OAR will include at a minimum the following:

i. Name of organization that outreach was provided to;

ii. Date of outreach activity, including how the outreach was made (i.e. phone call, email, in-person etc.); and

iii. Description of the outreach activity.

(6) Other Reports:

(a) HCA reserves the right to Request other specific reports not identified herein. If the information is readily available by the Contractor, and in a format easily accessible by HCA, the report shall be due within five (5) business days. If the report requires further processing by the Contractor, i.e. system coding, or querying of data, the due date will be negotiated in writing between HCA and the Contractor.

(b) The Contractor must submit the following monthly report electronically to DSHS in a Microsoft Excel compatible format to coincide with the DSHS interpreter billings. The DSHS report must include the following:

i. Organizational Index Code

ii. Control Number. The Control Number shall be used to track the Request through the system from the time of Request through the appointment and the billing/payment process;

iii. Client's full name, or identifier, county of residence;

iv. Client's ProviderOne ID number; or client's Personal Identification Code or Assistance Unit Number, if available

v. Authorized Requestor's full name;

vi. Authorized Requestor's contact information;

vii. Date of Request (not appointment date);

viii. Date and time Requested for services (appointment date);

ix. Appointment Street Address;

x. Language Requested;

xi. Assigned Interpreters full name;

xii. Date and time services were performed;

xiii. Number and dollar amount of Interpreter Service Units billed;

xiv. Number and dollar amount of Interpreter Service Travel Units billed;

xv. Amount authorized for other fees incurred (parking, ferry, tolls, etc.)

4. Identification

All invoices, instruction manuals, correspondence, and other written documents affecting this Contract shall be identified by the applicable purchase order or field order number. Packing lists shall be enclosed with each shipment, indicating the contents therein.

5. Performance

Acceptance by the Purchaser of unsatisfactory performance with or without objection or reservation shall not waive the right to claim damage for breach, or terminate this Contract, nor constitute a waiver of requirements for satisfactory performance of any obligation remaining to be performed by Contractor.

6. Consideration

a. Maximum Contract Amount. HCA shall pay the Contractor for satisfactory performance of the work under this Contract as based on the following:

(1) Service Area 2: Total consideration payable to the Contractor for satisfactory performance of the work under this Contract shall not exceed a maximum of Seven million five hundred seventy five thousand ($7,575,000.00), including direct Service Cost payment to Interpreters, and any and all expenses for Contractor Administration Costs.

b. The parties, by Amendment, may extend the period of performance of this Contract and negotiate considerations to be in effect during any additional extension.

c. Allocations described in this Section shall apply during the period July 1, 2012 through June 30, 2015.

(1) Rates:

(a) The direct Interpreter Service Rate is thirty dollars ($30.00) per hour for spoken language In-person services, as determined by the CBA for all interpreters (union members, nonunion members, CTS employees, or CTS out of state contracted interpreters).

(b) The direct Interpreter Service Rate for Spoken Language Interpreters utilizing Telephonic and VRI modalities will be determined by the CBA bargaining process.

(c) The administrative rate to be paid to the Contractor for the initial three year term will be 15%, not to exceed a total of $1,136,250.00. The amount that will be paid per month for the term of the contract is $31,562.50. A proportionate share will be paid by HCA and DSHS based on usage and these percentages will be billed direct to HCA and DSHS by the Contractor.

(d) Rates for HCA Sign Language Interpreter Services apply as follows (per DSHS/ODHH Sign Language Interpreter Services Contract):

National Association of the Deaf (NAD)	Registry of Interpreter for the Deaf (RID)	National Interpreter Certification (NIC)	Non-Certified	Interpreter Hourly Rate
Level V	SC:L, MCSC	NIC Master Interpreter, NIC Advanced Interpreter	N/A	$55/hr.
DeafBlind Rate	Deaf Blind Rate	Deaf Blind Rate		$58/hr.
Level IV	CSC, CI and CT, RSC, CDI, CLIP-R	NIC Certified Interpreter	QDI	$50/hr.
Deaf Blind Rate	Deaf Blind Rate	Deaf Blind Rate		$53/hr.
Level III	IC, TC, IC/TC, CI, CT, OIC:C, OTC	N/A	N/A	$40/hr.
Deaf Blind Rate	Deaf Blind Rate	Deaf Blind Rate		$43/hr.

(2) Source(s) of Funds. The above maximum amount payable under this Contract, for the services to be provided in based on the amount(s) of funding from the following sources:

(a) 50% is allotted under this Contract from federal funds received under the United State Department of Health and Human Services, Centers for Medicare and Medicaid Services, program CFDA # 93.778;

(b) 50% is allotted under this Contract from Washington General Funds-State appropriations.

(3) Funding Stipulations.

(a) Information for Federal Funding. The Contractor shall cooperate in supplying any information to HCA that may be needed to determine HCA's or the Client's eligibility for federal funding.

(b) No Federal Match. The Contractor shall not use funds payable under this Contract as match toward federal funds.

(c) Supplanting. The Contractor shall use these funds to supplement, not supplant the amount of federal, state, and local funds otherwise expended or services provided under this Contract.

(d) Prohibition of Use of Funds for Lobbying Activities. The Contractor shall not use funds payable under this Contract for lobbying activities of any nature. The Contractor certifies that no state or federal funds payable under this Contract shall be paid to any person or organization to influence, or attempt to influence, either directly or indirectly, an officer or employee of an state or federal agency, or an officer or member of any state or federal legislative body or committee, regarding the award, amendment, modification, extension, or renewal of a state or federal contract or grant.

7. Billing.

a. The Contractor must:

(1) HCA Billing Process:

(a) Interpreter Service Cost for HCA

i. Submit electronic claims for direct Interpreter Services costs, including mileage expenses if applicable, to the HCA payment processing system named ProviderOne.

ii. Bill HCA no later than ten (10) business days from the date an interpreter submits a completed appointment record form for services rendered, including any applicable backup documentation for mileage expenses.

iii. Follow the Agency ProviderOne Billing and Resource Guide at: http://hrsa.dshs.wa.gov/download/ProviderOne_Billing_and_Resource_Guide.html.

(2) DSHS Billing Process:

(a) Interpreter Service Cost for DSHS

i. Contractor shall submit invoices for direct Interpreter Services electronically to DSHS t monthly. Invoices shall include the following information:

(A) Appropriate DSHS Organizational Index Codes and entire line of account coding as referenced in the Account Coding crosswalk provided by HCA;

(B) Attach report required under Statement of Work, section 3.p.6.b. This report must correspond to the submitted billing.

b. Contractor Administrative Costs

(a) Submit one (1) monthly invoice to HCA for HCA's portion of Contractor Administrative Costs. HCA Contractor Administrative Costs will be paid via A19.

(b) Submit one (1) monthly invoice to DSHS for DSHS's portion of Contractor Administrative Costs. DSHS Contractor Administrative Costs will be paid via A19.

8. In-Person Allowable Interpreter Service Encounter Charges

a. Allowable Interpreter Service Encounter charges are calculated by multiplying the direct Interpreter Service Rate stated in Section 6. Consideration c. (1) Rates, by the number of Allowable Interpreter Service Units (see example table below), which is either:

(1) The length of time of the Interpreter Encounter in fifteen (15) minute increments, rounded up to the nearest fifteen (15) minute increment, with a one (1) hour minimum for regular appointments determined from:

(a) The time the Encounter started, until the time when the appointment actually concluded, with the following exceptions:

i. When the Interpreter arrived early and the Requestor, Interpreter, and Client agreed to begin earlier than the scheduled start time.

ii. When the Interpreter arrives late and the Encounter occurs, the Encounter time begins when the Interpreter arrived.

Example:

For appointments lasting:	DSHS (Non-Medicaid or S-CHIP) would be billed for:	Medicaid and S-CHIP appointments would be billed for:
25 minutes	1 hour	4 Units of Service
1 hour and 5 minutes	1 hour and 15 minutes	5 Units of Service
2 hours and 35 minutes	2 hours and 45 minutes	11 Units of Service

iii. Allowable Interpreter Service mileage charges are those which are ten (10) or more miles point-to-point for appointments, and are calculated by multiplying the number of allowable Interpreter Service miles traveled by the Interpreter from the Interpreter's place of business, home, or last appointment on the same day to the Interpreter's next appointment by the Contract Mileage Reimbursement Rate (unless adjusted at the sole discretion of HCA, and upon notification of the Contractor by HCA).

If the Contractor is scheduling Interpreter(s) who must travel more than one hundred (100) miles to the assignment, the Contractor is required to obtain prior approval from the DSHS Authorized Requestor or HCA Interpreter Services Program Manager, designee or Successor.

b. Double-booking fees must be paid by the Contractor when they inadvertently scheduled two (2) Interpreters for the same appointment and both Interpreters show up to interpret (all errors of double booking must be reported to HCA):

(1) Per the Contractor's scheduling system, the Interpreter with the earliest accepted appointment time will interpret for the Encounter and will receive a one (1) hour minimum or full payment for the Interpreting Encounter.

(2) The Interpreter who does not fulfill the appointment time will be paid by the Contractor for one-half (1/2) hour or two (2) Units.

c. The Contractor must pay Interpreters the minimum of two (2) Units for Interpreter time and any other applicable costs, such as mileage, bus, parking fees etc., where a scheduling error occurs at no fault of the Interpreter (i.e. Contractor schedules Interpreter for the wrong time or address of the appointment, etc.).

d. In cases where a scheduling error occurred due to a Requestor's error, the payments will be issued by HCA or DSHS as described in b. (1) and (2), above.

9. In-Person No Show and Cancelations

a. The Contractor must bill HCA and DSHS for Interpreter Service and pay the Interpreter at the rate of two (2) Units per appointment if the appointment results in a No-Show because either the Requestor or Client did not show up for the appointment.

b. The Contractor must bill HCA for Interpreter Service and pay the Interpreter at the rate of two (2) Units per appointment if the appointment was cancelled by either the Requestor or Client with less than twenty-four (24) hours' notice, and

(1) The Interpreter arrives for the appointment at the appointment date and time; and

(2) The Interpreter has not been reassigned for another appointment at the same time as the Cancelled Appointment.

NOTE: The Contractor may waive the Requestor and Interpreter signature on the Appointment Record Form if the Contractor verifies the Cancelled Appointment (billable).

10. Payment.

a. The Contractor will assume responsibility for payment to Contractor's employees for wages, benefits, and all consideration or reimbursement to the Contracted Interpreters.

b. HCA will:

(1) Pay the Contractor through the HCA ProviderOne payment system.

(2) Reimburse the number of Allowable Interpreter Service Units billed, except where:

(a) The Contractor bills for Interpreter Services when the appointments are Consecutive Appointments, and the same Interpreter:

i. Interprets for more than one (1) Client (e.g. a family), in the same health care provider's office on the same day; or

ii. Interprets for one (1) or more Clients, for multiple health care providers, in the same facility (same building or a group of buildings on the same campus) on the same day.

(3) HCA does not pay for Interpreter Services for the following medical facilities/situations:

(a) Inpatient hospital services (e.g. labor and delivery);

(b) Nursing facility services (covered by Aging and Adult Services);

(c) Services provided by any other facility, agency, or provider that is required by federal or state law, Regulation, or rules to provide those services (e.g. public health agencies, public hospitals and local health jurisdictions);

(d) Community mental health centers, mental health clinics or mental health institution services (covered by Regional Support Network);

(e) Alcohol or other drug-related treatment centers/programs;

(f) Emergency medical appointments for Clients (one hour notice or less);

(g) It is the responsibility of the hospital/public health facility to pay for the Interpreter when providing medical services listed above.

(4) Payment for Consecutive Appointments must be calculated from the initial scheduled start time of the first appointment in the series or when the Interpreter shows up after scheduled start time, whichever is later, up to the actual end time of the last appointment in the series.

Example:

1st appointment: 11am – 12pm;

2nd appointment: 12:15pm – 12:45pm;

3rd appointment: 1:15pm – 2:15 pm

Unless Interpreter arrived late to the first appointment in the series, payment must be issued for three (3) hours and fifteen (15) minutes [thirteen (13) Units].

NOTE: No-Shows and cancellations, if otherwise payable, are reimbursed within Consecutive Appointment series at the Rates described in Section 9, In-Person No Show and Cancelations.

(5) Reimburse the number of Allowable Interpreter Service Mileage Units billed, rounded up to the nearest mile (after totaling miles for a round Trip), where:

(a) One (1) Unit of Interpreter travel is equal to one (1) mile.

(b) Interpreter travels ten (10) or more miles beyond their place of business, home or last appointment, the actual departure point to an Interpreter Service Encounter is used.

(c) The reimbursement rate equal to one-half (1/2) Office of Financial Management (OFM) current mileage reimbursement rate.

(d) The street addresses for origin of the Trip and destination are documented, and listed on the form prior approved by the HCA Interpreter Services Program Manager, designee or Successor.

(e) The point-to-point most direct route has been taken.

(f) The accuracy of the mileage claimed has been verified and documented by the Contractor using reputable method (e.g. MapQuest, Google Maps, etc.).

(6) Reimburse the Contractor for other travel related incurred costs of an Interpreter Service appointment, including:

(a) Bus, ferry or train fares;

(b) Parking and Toll fees.

(7) Consider payments to be made timely when they are made within thirty (30) calendar days of receipt of a properly completed claim.

(8) Reimburse the Contractor for Client or Requestor No-Shows and Cancelled Appointments, when:

(a) The appointment was cancelled no earlier than the scheduled date and time of service, but the Interpreter still arrived at the scheduled appointment at the scheduled time; and

(b) There is a completed Appointment Record Form signed by the Requestor on file at the Contractor's place of business.

(9) Reimburse the Contractor for extended service Encounters. If asked by an Authorized Requestor, an Interpreter may choose, but not be required to, stay beyond the scheduled end time of an appointment. If the Interpreter chooses to stay, the Interpreter will be paid at the contractually established hourly rate in fifteen (15) minute increments.

c. DSHS will:

1. Pay Contractor monthly, upon receipt of a properly submitted electronic invoice, in accordance with the standards for payment outlined above for DSHS in Section 7, Billing, except that DSHS will not pay via ProviderOne, but will directly deposit funds into Contractor's account. Contractor must be registered in the Office of Financial Management's Statewide Payee Registration System in order to receive payment via direct deposit.

d. HCA and DSHS may, at its sole discretion, withhold payments claimed by the Contractor for the services rendered if the Contractor fails to satisfactorily comply with any terms or conditions of this Contract. This right to withhold payments for noncompliance is in addition to, and not in lieu of, any and all rights of HCA under this Contract or by law.

e. No monetary fines shall be assessed against any Interpreter for any behavior or failure to complete any Encounter. If inappropriate behavior continues to occur and with proper documentation, the Contractor should follow the required corrective action plan, up to permanent suspension of the Interpreter. All corrective actions and written notifications must be reported to the Interpreter Services Program Manager.

11. Union Dues/Fees

In accordance with RCW 41.56.113, The Contractor must:

a. Deduct the monthly amount of Union membership dues from all contracted Interpreters performing services under this Contract.

b. Deduct a fee for Interpreters that are nonmembers of the Union and performing services under this Contract as described below:

(1) Interpreters who choose not to become Union members will have deducted from their payment(s) a representation fee equal to a prorated share of collective bargaining expenses rather than the full membership fee.

(2) An Interpreter who does not join the Union based on bona fide religious tenets, or teachings of a church or religious body, of which he or she is a member, will have deducted from their payments an amount equal to Union membership dues.

c. Transmit deductions and fees electronically to the Union at the Union's official headquarters no later than the five (5) business days following receipt of payment to the Contractor. A list, including the full name, address, and tax identification number or other unique identification number of those for whom the deductions have been taken will accompany the payments.

d. Provide HCA a monthly record showing that dues or fees have been deducted as specified in (a)-(c) above.

e. Voluntary Deduction

(1) The Contractor must:

(a) Provide for the deduction from the payments to an Interpreter who is a member of the Union and is covered under Section 11.1 a, of CBA, AFSCME PEOPLE deduction as provided for in a written authorization.

(b) Such authorization must be executed by the Interpreter and may be revoked by the Interpreter at any time by giving written notice to both the Contractor and the Union.

(c) Remit any deductions made pursuant to this provision to the Union, at the specific address designated by the Union, with a report showing;

i. Interpreter name;

ii. Tax Identification Number or other unique identification number;

iii. Amount deducted.

f. Status Reports

(1) The Contractor must:

(a) Provide to the Union a report each month in an electronic format with the data listed in b-f below for each Interpreter in the bargaining unit who was paid through the Contractor:

i. Tax Identification Number or other unique identification number

(b) Interpreter name;

(c) Mailing address;

(d) Language(s);

(e) Total amount paid for month; and

(f) Total number of hours paid.

12. Payment Adjustments

a. All adjustments to billed Interpreter and agency service amounts must be completed within ninety (90) calendar days of the original date of billing by the Contractor; or as extended by the Interpreter Services Program Manager, designee, DSHS designated representative, or Successor.

13. Payment Disputes

a. Disputes related to payments made by HCA/DSHS under this contract shall be resolved at the local level (i.e. between the Authorized Requester and the Contractor) with the exception of medical providers.

b. Disputes regarding services provided to medical providers must be resolved with the Health Care Authority (HCA), Division of Healthcare Services (DHS) – Interpreter Services Section.

c. If a resolution cannot be achieved at the local level, the dispute shall be forwarded by the Requester and/or Contractor to the Requester's designated HCA/DSHS representative, pursuant to procedures established by HCA/DSHS.

d. The Contractor and HCA shall be responsible for exercising due diligence in identifying procedures related to the local level handling and forwarded appeals of payment disputes. Action pursuant to this clause by either party shall not be construed as a waiver of any legal avenue of recourse available through this contract.

14. Performance Incentives and Penalties

a. Modality Utilization (Telephonic and VRI).

(1) The implementation of performance incentives during the first (1st) year of this Contract will consist of establishing the Contractor's baseline standards to be used in subsequent years of the Contract. Monetary incentives shall be applied in 2013.

(2) The Telephonic and VRI modality utilization baseline provided by the Contractor will determine if the Contractor is eligible to receive this performance incentive.

(3) Calculations will be made using the following modality utilization baseline numbers provided by the Contractor after they have been collected for the following quarters:

Baseline Established in 2012	Incentive Calculated in 2012
June 2012 through September 2012	June 2013 through September 2013
October 2012 through January 2013	October 2013 through January 2014
February 2013 through May 2013	February 2014 through May 2014

(4) As determined by HCA, if the Contractor achieves a quarterly increase in the combined Telephonic and VRI modality utilization comparing year-to-year from the established modality utilization baseline of a minimum of one (1) or more percent, the incentive for the quarter will be a one percent (1%) increase in the agreed monthly administrative payment. The amount of the incentive can rise incrementally by one-tenth (1/10th) of one percent (1%) up to a maximum of a five percent (5%) increase for the monthly billing. Starting in June 2013, HCA will begin to calculate incentives payments which will be made quarterly by the twentieth (20^{th}) of the second (2^{nd}) month of the following quarter.

(5) The requirements as stated above in Section 14 (a) (1-4) are only applicable and will be applied if the increase in Telephonic and VRI modality utilization achieves a minimum five percent (5%) savings in Service Costs expenditures comparing year-to-year for the applicable quarter.

b. Overall Fill Rate

(1) The Contractor is expected to identify and assign an Interpreter and fill Requested appointments for a minimum of ninety percent (90%) of all in-person Requests received with forty eight (48) or more hours' notice, measured on a monthly basis. Requests received by the Contractor with less than forty eight (48) hours' notice are not included in this requirement.

(2) Upon HCA notifying CTS that all three modalities are available options under this contract HCA will implement the incentives and penalties stated in this section.

(3) The implementation of monetary performance penalties shall be based on the monthly data provided as required in Section 3. Statement of Work p 2 (a).

(4) The performance penalty shall be assessed on the monthly date collected each month and deducted on a monthly basis following the month administrative services were billed.

(5) If the percentage of filled appointments falls below ninety (90%), measured on a monthly basis, the Contractor's agreed monthly administrative payment will be reduced by the commensurate percentage, measured in one-tenth (1/10) of one percent (1%) increments, up to a maximum of a five percent (5%).

Example: Overall Fill Rate

Time Period	Performance	Penalty
Standard	90% of all in-person Requests are filled by an Interpreter.	
July 2012	90% and above filled	No deduction
August 2012	89.7% filled	.3% deduction
September 2012	86% filled	4% deduction
October 2012	85% and below filled	5% deduction

15. Contractual Disputes

Either party who has a dispute concerning this Contract may Request that their dispute be heard.

a. Requesting dispute resolution. The Request for Contract dispute resolution by either party shall:

(1) Be submitted to HCA, at the address listed under (2) below, in writing and include the Contractor's name, address and the HCA Contract number;

(2) Be sent by certified mail or other method providing a signed receipt to the sender to prove delivery to and receipt by HCA, to the following address:

Contracts Administrator
HCA/DHS/TIS
PO Box 45532
Olympia, Washington 98504-5532;

(3) Be received by the Contracts Administrator no later than thirty (30) calendar days after the Contract expiration or termination; and

(4) Identify in writing the spokesperson for the Contractor, if other than the Contractor's signatory.

b. Content of the dispute Request. The party Requesting a dispute resolution shall submit a statement that:

(1) Identifies the issue(s) in dispute;

(2) Identifies the relative positions of the parties; and

(3) Requests resolution through the current HCA process.

c. Action on the Request:

(1) HCA shall notify the non-Requesting party that the Request has been made, notify both parties of the dispute resolution process to be followed, and manage the process to its conclusion.

(2) The Contractor shall provide pertinent information as Requested by the person assigned to resolve the dispute.

16. Background Checks

a. The Contractor must:

(1) Perform a criminal history background check on each Interpreter prior to their first instance of providing services to Requestors, and annually thereafter. (This requirement may be waived if the Interpreter has had a criminal history background check performed within one (1) year prior to providing services under this Contract). The background check performed by the Washington State Patrol is considered the minimum standard for this program. Washington State Patrol criminal history background checks are good for one (1) year from date of issue.

(2) Have ready access to, and provide upon the Request of HCA, a copy of each Interpreter's criminal history background check.

(3) Report immediately any changes in criminal history of an Interpreter to HCA when it becomes known to the Contractor.

(4) If the Contractor determines an Interpreter fails the background check, the Contractor is to immediately prohibit any Interpreter from providing services under this contract if there is an indication from the background check results that the Interpreter may pose a risk to Clients (refer to the DSHS Secretary's lists of Crimes and Negative Actions). This list can be located at: http://www.dshs.wa.gov/bccu/bccucrimeslist.shtml.

17. Insurance

The Contractor shall at all times comply with the following insurance requirements.

a. General Liability Insurance

The Contractor shall maintain Commercial General Liability Insurance, or Business Liability Insurance, including coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000. The policy shall include liability arising out of premises, operations, independent Contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an Insured contract. The State of Washington, Health Care Authority (HCA), and elected and appointed officials, Agents, and employees of the state, shall be named as additional Insureds.

In lieu of general liability insurance mentioned above, if the Contractor is a sole proprietor with less than three (3) contracts, the Contractor may choose one (1) of the following three (3) general liability policies but only if attached to a professional liability policy, and if selected the policy shall be maintained for the life of this Contract:

Supplemental Liability Insurance, including coverage for bodily injury and property damage that will cover the Contractor wherever the service is performed with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000. The State of Washington, Health Care Authority (HCA) it's elected and appointed officials, Agents, and employees shall be named as additional Insureds.

Or

Workplace Liability Insurance, including coverage for bodily injury and property damage that provides coverage wherever the service is performed with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000. The State of Washington, Health Care Authority (HCA), and elected and appointed officials, Agents, and employees of the state, shall be named as additional Insureds.

Or

Premises Liability Insurance and provide services only at their recognized place of business, including coverage for bodily injury, property damage with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000. The State of Washington, Health Care Authority (HCA), and elected and appointed officials, Agents, and employees of the state, shall be named as Additional Insured.

b. Professional Liability Insurance (PL)

The Contractor shall maintain Professional Liability Insurance or Errors & Omissions insurance, including coverage for losses caused by errors and omissions, with the following minimum limits: Each Occurrence - $1,000,000; Aggregate - $2,000,000.

c. Worker's Compensation

The Contractor shall comply with all applicable Worker's Compensation, occupational disease, and occupational health and safety laws and Regulations. The State of Washington and HCA shall not be held responsible for claims filed for Worker's Compensation under Title 51 RCW by the Contractor or its employees under such laws and Regulations.

d. Employees and Volunteers

Insurance required of the Contractor under the Contract shall include coverage for the acts and omissions of the Contractor's employees and volunteers. In addition, the Contractor shall ensure that all employees and volunteers who use vehicles to transport Clients or deliver services have personal automobile insurance and current driver's licenses.

e. Separation of Insureds

All insurance policies shall include coverage for cross liability and contain a "Separation of Insureds" provision.

f. Insurers

The Contractor shall obtain insurance from insurance companies identified as an admitted insurer/carrier in the State of Washington, with a Best's Reports' rating of B++, Class VII, or better. Surplus Lines insurance companies will have a rating of A-, Class VII, or better.

g. Evidence of Coverage

The Contractor, upon Request by HCA staff, submits a copy of the Certificate of Insurance, policy, and additional Insured endorsement for each coverage required of the Contractor under this Contract. The Certificate of Insurance shall identify the Washington State Health Care Authority (HCA) as the Certificate Holder. A duly authorized representative of each insurer, showing compliance with the insurance requirements specified in this Contract, shall execute each Certificate of Insurance. The Contractor is not required to submit to the HCA copies of Certificates of Insurance for personal automobile insurance required of the Contractor's employees and volunteers under the Contract.

h. Material Changes

The insurer shall give HCA 45 days advance written notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the insurer shall give HCA ten (10) days advance written notice of cancellation.

i. General

By requiring insurance, the State of Washington and HCA do not represent that the coverage and limits specified will be adequate to protect the Contractor. Such coverage and limits shall not be construed to relieve the Contractor from liability in excess of the required coverage and limits and shall not limit the Contractor's liability under the indemnities and reimbursements granted to the State and HCA in this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

18. Liens, Claims, and Encumbrances.

All materials, equipment or services shall be free of all liens, claims, or encumbrances of any kind and if the state Requests, a formal release of same shall be delivered to the state.

19. Notices.

Whenever one (1) party is required to give notice to the other party under this Contract, it shall be deemed given if mailed by United States Postal Service, registered or certified mail, return receipt Requested, postage prepaid and addressed as follows:

a. In the case of notice to the Contractor, notice shall be sent to the point of contact identified on page one (1) of this Contract;

b. In the case of notice to HCA, notice shall be sent to:

Contract Services
Legal and Administrative Services Division
Washington State Health Care Authority
P. O. Box 42702
Olympia, Washington 98504-2702
Contracts@hca.wa.gov

Said notice shall become effective on the date delivered as evidenced by the return receipt or the date returned to sender for non-delivery other than for insufficient postage. Either party may at any time change its address for notification purposes by mailing a notice in accordance with this Section, stating the change and setting forth the new address, which shall be effective on the tenth (10^{th}) day following the effective date of such notice unless a later day is specified in the notice.

20. Personal Liability.

It is agreed by and between the parties hereto that in no event shall any official, officer, employee or Agent of the State of Washington be in any way personally liable or responsible for any covenant or agreement herein contained whether expressed or implied, nor for any statement or representation made herein or in any connection with this Contract.

21. Prevailing Wages.

This Bid is subject to prevailing wage requirements (reference Chapter 39.12 RCW and WAC 296-127). Wages to be paid workers, laborers or mechanics, pursuant to this Contract shall not be less than the prevailing rate of wage in the same trade or occupation in the locality within the state where the labor is performed. By submission of a properly signed and completed Bid, Bidder agrees to comply with all provisions of these chapters.

22. Taxes, Fees and Licenses.

a. Taxes: Where required by state statute or Regulation, Contractor shall pay for and maintain in current status and all taxes that are necessary for contract performance. Unless otherwise indicated, the purchaser agrees to pay State of Washington sales or use taxes on all applicable consumer services and materials purchased. No charge by Contractor shall be made for federal excise taxes and the purchaser agrees to furnish Contractor with an exemption certificate where appropriate. Sales tax shall not be included in bid pricing submitted.

b. Fees/Licenses: Contractor shall pay for and maintain in a current status, any license fees, assessments, permit charges, etc., which are necessary for contract performance. It is the Contractor's sole responsibility to monitor and determine any changes or the enactment of any subsequent Regulations for said fees, assessments or charges and to immediately comply with said changes or Regulations during the entire term of this contract.

c. Customs/Brokerage Fees: Contractor shall take all necessary actions to ensure that materials or equipment purchased are expedited through customs if applicable. Failure to do so may subject Contractor to liquidated damages as identified in this document and/or to other administrative actions considered appropriate.

23. Title and Risk of Loss.

Regardless of FOB point, Contractor agrees to bear all risks of loss, injury, or destruction of goods and materials ordered herein which occur prior to delivery and acceptance. Such loss, injury or destruction shall not release Contractor from any obligation hereunder.

24. Warranties.

a. Product: Contractor warrants that all materials, equipment, and/or services provided under this contract shall be fit for the purpose(s) for which intended, for merchantability, and shall conform to the requirements and specifications herein. Acceptance of any service and inspection incidental thereto by the state shall not alter or affect the obligations of the Contractor or the rights of the state.

b. Price: Contractor warrants that prices of materials, equipment, and services set forth herein do not exceed those charged by the Contractor to any other customer purchasing the same goods or services under similar conditions and in like or similar quantities.

1. **Definitions Specific to General Terms.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:

a. "Agent" shall mean the Washington State Health Care Authority Director and/or the Director's delegate authorized in writing to act on behalf of the Director.

b. "Allowable Cost" means an expenditure which meets the test of the appropriate Executive Office of the President of the United States' Office of Management and Budget Circular. The most significant factors which determine whether a cost is allowable are the extent to which the cost is:

(1) Necessary and reasonable;

(2) Allocable;

(3) Authorized or not prohibited under Washington state or local laws and Regulations;

(4) Adequately documented.

c. "Authority" shall mean the Washington State Health Care Authority, any division, section, office, unit or other entity of the Authority, or any of the officers or other officials lawfully representing the Authority.

d. "Confidential Information" means information that is exempt from disclosure to the public or other unauthorized persons under Chapter 42.56 RCW or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information.

e. "Contract" or "Agreement" or "Interagency Agreement" means the entire written agreement between the Authority and the Contractor, including any Exhibits, documents, or materials incorporated by reference. The parties may execute this Contract in multiple counterparts, each of which is deemed an original and all of which constitute only one (1) agreement. E-mail (electronic mail) or fax (facsimile) transmission of a signed copy of this Contract shall be the same as delivery of an original.

f. "Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, members, officers, directors, partners, employees, and/or Agents, unless otherwise stated in this Contract. For purposes of any permitted Subcontract, "Contractor" includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or Agents.

g. "Debarment" means an action taken by a Federal agency or official to exclude a person or business entity from participating in transactions involving certain federal funds.

h. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key"; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 128 bits.

i. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.

j. "HCA Contract Services" means the Washington State Health Care Authority central headquarters contracting office, or Successor section or office.

k. "OMB" means the Office of Management and Budget of the Executive Office of the President of the United States.

l. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.

m. "Public Information" means information that can be released to the public. It does not need protection from unauthorized disclosure, but does need protection from unauthorized change that may mislead the public or embarrass HCA.

n. "Physically Secure" means that access is restricted through physical means to authorized individuals only.

o. "RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections shall include any Successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at: http://apps.leg.wa.gov/rcw/.

p. "Regulation" means any federal, state, or local Regulation, rule, or ordinance.

q. "Secured Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.

r. "Sensitive Information" means information that is not specifically protected by law, but should be limited to official use only, and protected against unauthorized access.

s. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.

t. "Successor" means any entity which, through amalgamation, consolidation, or other legal succession becomes invested with rights and assumes burdens of the original Contractor.

u. "Tracking" means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.

v. "Trusted Systems" include only the following methods of physical delivery:

(1) Hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt;

(2) United States Postal Service (USPS) first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail;

(3) Commercial delivery services (e.g. FedEx, UPS, DHL) which offer Tracking and receipt

confirmation; and

(4) The Washington State Campus mail system.

For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.

w. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.

x. "Vendor" means a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of a federal program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. See OMB Circular A-133 for additional details.

y. "WAC" means the Washington Administrative Code. All references in this Contract to WAC chapters or sections shall include any Successor, amended, or replacement Regulation. Pertinent WAC chapters or sections can be accessed at: http://apps.leg.wa.gov/wac/.

2. **Access to Data.** The Contractor shall provide access to Data generated under this Contract to the Authority, the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Contractor's reports, including computer models and methodology for those models.

3. **Advance Payment.** HCA or DSHS shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.

4. **Amendment.** Unless otherwise provided, this Contract may only be modified by a written amendment signed by both parties. Only personnel authorized to bind each of the parties may sign an amendment.

5. **Antitrust Assignment.** The Contractor hereby assigns to the State of Washington any and all of its claims for price fixing or overcharges which arise under the antitrust laws of the United States, or the antitrust laws of the State of Washington, relating to the goods, products or services obtained under this Contract.

6. **Assignment.** The work to be provided under this Contract, and any claims arising there under, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

7. **Assurances.** The Authority and the Contractor agree that all activity pursuant to this Contract will be in accordance with all applicable federal, state and local laws, rules, and Regulations.

8. **Attorneys' Fees.** In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorney's fees and costs.

9. **Billing Limitations.**

a. The Authority and DSHS shall pay the Contractor only for authorized services provided in accordance with this Contract.

b. The Authority and DSHS shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed. The Authority within the Special Terms and Conditions of this Contract may reduce length of time following the provision of services in which the Contractor may submit claims for payment.

c. The Contractor shall not bill and HCA or DSHS shall not pay for services performed under this Contract, if the Contractor has charged or will charge another agency of the state of Washington or any other party for the same services.

10. **Change in Status.** In the event of substantive change in the legal status, organization structure, or fiscal reporting responsibility of the Contractor, the Contractor agrees to notify the HCA Contract Services of the change. The Contractor shall provide notice as soon as practicable, but no later than thirty (30) days after such a change takes effect.

11. **Compliance with Applicable Law.** At all times during the term of this Contract, the Contractor shall comply with all applicable federal, state, and local laws and Regulations, including but not limited to, nondiscrimination laws and Regulations.

12. **Confidentiality.**

a. The Contractor shall not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Contract for any purpose that is not directly connected with Contractor's performance of the services contemplated hereunder, except:

(1) As provided by law; or,

(2) In the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.

b. The Contractor shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Contractor to employ reasonable security measures, which include restricting access to the Confidential Information by:

(1) Allowing access only to staff that have an authorized business requirement to view the Confidential Information.

(2) Physically Securing any computers, documents, or other media containing the Confidential Information.

(3) Ensure the security of Confidential Information transmitted via fax (facsimile) by:

(a) Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.

(b) Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.

(c) Verifying after transmittal that the fax was received by the intended recipient.

(4) When transporting six (6) or more records containing Confidential Information, outside a Secure Area, do one or more of the following as appropriate:

(a) Use a Trusted System.

(b) Encrypt the Confidential Information, including:

i. Encrypting email and/or email attachments which contain the Confidential Information.

ii. Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.

(c) Note: If the HCA Data Security Requirements Exhibit is attached to this Contract, this item, 12.b. (4), is superseded by the language contained in the Exhibit.

(5) Send paper documents containing Confidential Information via a Trusted System.

(6) Following the requirements of the HCA Data Security Requirements Exhibit, if attached to this Contract.

c. Upon Request by HCA program staff, at the end of the Contract term or when no longer needed, the Contractor shall return the Data to HCA information technology staff or the Contractor shall certify in writing that they employed a HCA approved method to destroy the information. The Contractor may obtain information regarding approved destruction methods from the HCA contact identified on the cover page of this Contract.

d. Paper documents with Confidential Information may be recycled through a contracted firm, provided the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping, or incineration.

e. Notification of Compromise or Potential Compromise. The compromise or potential compromise of Confidential Information must be reported to the HCA Contact designated on the cover page of this Contract within one (1) business day of discovery. The Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or the Authority.

f. Subsequent Disclosure. The Contractor shall not release, divulge, publish, transfer, sell, disclose, or otherwise make the Confidential Information or Sensitive Data known to any other entity or person without the express prior written consent of the Authority's Public Disclosure Office, or as required by law.

If responding to public record disclosure Requests under Chapter 42.56 RCW, the Contractor agrees to notify and discuss with the Authority's Public Disclosure Officer Requests for all information that are part of this Contract, prior to disclosing the information. The Authority upon Request shall provide the Contractor with the name and contact information for the Authority Public Disclosure Officer. The Contractor further agrees to provide the Authority with a minimum of two calendar weeks to initiate legal action to secure a protective order under RCW 42.56.540.

13. **Conflict of Interest.** Notwithstanding any determination by the Executive Ethics Board or other tribunal, the Authority may, in its sole discretion, by written notice to the Contractor terminate this Contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or services under this Contract.

In the event this Contract is terminated as provided above, the Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of this Contract by the Contractor. The rights and remedies of the Authority provided for in this Section shall not be exclusive and are in addition to any other rights and remedies provided by the law. The existence of facts upon which the Agent makes any determination under this section shall be an issue and may be reviewed as provided in the "Disputes" Section of this Contract.

14. **Conformance.** If any provision of this Contract violates any statute or rule of law of the State of Washington, it is considered modified to conform to that statute or rule of law.

15. **Contractor Certification Regarding Ethics.** The Contractor certifies that the Contractor is now, and shall remain, in compliance with Chapter 42.52 RCW, Ethics in Public Service, throughout the term of this Contract.

16. **Covenant against Contingent Fees.** The Contractor warrants that no person or selling Agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established Agents maintained by the Contractor for the purpose of securing business. The Authority shall have the right, in the event of breach of this clause by the Contractor, to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

17. **Debarment Certification.** The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions (Debarred). The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify the HCA Contact designated on the cover page of this Contract if, during the term of this Contract, the Contractor becomes Debarred. HCA may immediately terminate this Contract by providing Contractor written notice if Contractor becomes Debarred during the term of this Contract.

18. **Force Majeure.** If the Contractor is prevented from performing any of its obligations hereunder in whole or in part as a result of a major epidemic, act of God, war, terrorist acts, civil disturbance, court order, or any other cause beyond its control, such nonperformance shall not be grounds for termination for default. Immediately upon the occurrence of any such event, the Contractor shall commence to use its best efforts to provide, directly or indirectly, alternate and, to the extent practicable, comparable performance. Nothing in this Section shall be construed to prevent HCA from terminating this Contract for reasons other than for default during the period of event set forth above, or for default, if such default occurred prior to such event.

19. **Fraud and Abuse Requirements.** The Contractor shall report in writing all verified cases of fraud and abuse, including fraud and abuse by the Contractor's employees and/or Subcontractors, within five (5) business days, to the HCA Contact designated on page one of this Contract. The report shall include the following information:

    a. Subject(s) of Complaint by name and either provider/Subcontractor type or employee position;

b. Source of Complaint by name and provider/Subcontractor type or employee position;

c. Nature of Compliant;

d. Estimate of the amount of funds involved; and

e. Legal and administrative disposition of case.

20. Governing Law and Venue. This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County.

21. Health and Safety. Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health and safety of any HCA client with whom the Contractor has contact.

22. HIPAA Compliance.

a. Definitions.

(1) "Business Associate" means the "Contractor" and its employees, Agents, officers, Subcontractors, third party Contractors, volunteers, and directors.

(2) "CFR" means Code of Federal Regulations.

(3) "Client" means an applicant, recipient, or former applicant or recipient of any service of program administered by HCA, including a Medicaid Title XIX recipient, State Children's Health Insurance Program recipient (Title XXI), enrollee under a Public Employees Benefits plan, recipient of Basic Health.

(4) "Covered Entity" means HCA, a Covered Entity as defined in 45 CFR § 160.103.

The following terms have the meanings stated in the HIPAA Regulations: designated record set, disclose, electronic protected health information or ePHI, minimum necessary, personal representative, protected health information or PHI, use. In this Agreement, however, ePHI and PHI include only information relating to Clients.

(5) "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, and the Regulations adopted under it.

(6) "Individual(s)" means the person(s) who is the subject of PHI and includes a personal representative.

b. Compliance. Business Associate will comply with HIPAA, Chapter 70.02 RCW, and other applicable laws and Regulations in performing all duties, activities, and tasks under this Agreement.

c. Use and Disclosure of PHI. Business Associate will not use or disclose PHI except as follows:

(1) Duty to Protect PHI. Business Associate shall protect PHI from, and shall establish appropriate safeguards to prevent, the unauthorized disclosure of PHI in accordance with the terms and conditions of this Agreement and state and federal law, including any Regulations governing the security of PHI and the transmission, storage, or maintenance of electronic data that contains PHI, for as long as the PHI is within its possession and control, even after the termination or expiration of this Agreement.

(2) Return of PHI. Business Associate shall, within ten working days after termination or expiration of this Agreement, in accordance with Contract Termination and Expiration Procedures, and at the discretion of Covered Entity, either return or destroy all PHI, including PHI in possession of third parties under contract to Business Associate. If return or destruction is infeasible, Business Associate shall protect such PHI and limit its further use and disclosure to those purposes that make return or destruction infeasible for as long as the PHI is within the Business Associate's possession and control, even after the termination or expiration of this Agreement.

(3) Minimum Necessary Standard. Business Associate shall apply the HIPAA minimum necessary standard to any use or disclosure of PHI necessary to achieve the purposes of this Agreement.

(4) Disclosure as Part of the Provision of Services. Business Associate shall use or disclose PHI only as required to perform the services specified in this Agreement or as required by law, and shall not use or disclose such PHI in any manner inconsistent with the use and disclosure restrictions placed on the Covered Entity by HIPAA.

(5) Impermissible Use or Disclosure of PHI. Business Associate shall report to HCA in writing all uses or disclosures of PHI not provided for by this Agreement within one working day of becoming aware of the unauthorized use or disclosure of the PHI. Upon Request by HCA, Business Associate shall mitigate, to the extent practicable, any harmful effect resulting from the impermissible use or disclosure.

(6) Failure to Cure. If HCA learns of a pattern or practice of the Business Associate that constitutes a violation of the Business Associate's obligations under the terms of this Agreement and reasonable steps by HCA do not end the violation, HCA shall terminate this Agreement. If termination is not feasible, HCA will report the problem to the Secretary of the United States Department of Health and Human Services.

(7) HCA Notice of Requests for Disclosure. HCA shall notify Business Associate when PHI is Requested from HCA that has been previously provided to Business Associate by HCA. The parties will jointly determine whether Business Associate has received a duplicate Request or if Business Associate has the original or sole copy of the PHI. Business Associate will provide the information to HCA, or if so agreed with HCA then to the Client, within five business days.

(8) Consent to Audit. Business Associate shall give reasonable access to PHI, records, books, documents, electronic data, and all other business information received from, or created or received by, Business Associate on behalf of HCA, to the Secretary and to HCA for use in determining HCA compliance with HIPAA privacy requirements.

d. Individual Rights

(1) Accounting of Disclosures

(a) Business Associate shall document all disclosures of PHI and information related to such disclosures.

(b) Within 10 working days of a Request from HCA, Business Associate shall make available to HCA the information in Business Associate's possession that is necessary for HCA to respond in a timely manner to a Request for an accounting of disclosures of Client PHI. See, 45 C.F.R. 164.504 and 164.528.

(c) At the Request of HCA, Business Associate shall respond, in a timely manner and in accordance with HIPAA, to Requests by Individuals for an accounting of disclosures of PHI.

(d) If any Individual asks Business Associate for an accounting of disclosures of PHI, or for access to or amendment of PHI in a Designated Record Set, Business Associate shall within ten (10) working days forward the Request to HCA for response.

(e) Business Associate's record keeping procedures shall be sufficient to respond to a request for an accounting under this section for the six (6) years prior to the date on which the accounting was Requested.

(2) Amendment. If HCA amends, in whole or in part, a record or PHI contained in an Individual's Designated Record Set and HCA has previously provided the PHI or record that is the subject of the amendment to Business Associate, then HCA shall inform Business Associate of the amendment pursuant to 45 CFR 164.526 (c)(3).

e. Third Party Agreements. Business Associate shall enter into a written contract, that contains the same terms, restrictions, and conditions as the HIPAA Compliance provision in this Agreement, with any Agent, Subcontractor, independent Contractor, or other third party that has access to the HCA client PHI accessible to Business Associate under the terms of this Agreement.

f. Breach and Notice of Breach

(1) Breach

Contractor shall report to HCA any use or disclosure of the Protected Health Information not provided for by this Agreement. Contractor shall make these reports to the HCA within 5 days after the use or disclosure, or within 5 days after Contractor discovers a use or disclosure that is likely to involve Clients, whichever is later. If Contractor cannot provide conclusive information relating to the use or disclosure, or cannot determine whether a breach has occurred, until a full investigation has occurred, then it shall provide what information it can within 5 days, and full details no later than 15 days after discovery of the use or disclosure.

(2) Notice of Breach.

If Contractor or any Subcontractor of Contractor allegedly makes or causes, or fails to prevent, a use or disclosure constituting a Breach, and notification of that use or disclosure must (in the sole judgment of HCA) be made under HIPAA, related laws or Regulations, or under RCW 45.56.590 or RCW 19.255.010 or other applicable law, then:

(a) HCA may choose to make the notifications or direct Contractor to make them, and

(b) Contractor shall pay the costs of the notification and of other actions HCA considers appropriate to protect enrollees (such as paying for regular credit watches).

23. Hold Harmless and Indemnification.

a. The Contractor shall be responsible for and shall indemnify, defend, and hold HCA harmless from all claims, loss, liability, damages, or fines arising out of or relating to:

(1) The Contractor's or any Subcontractor's performance or failure to perform this Contract, or

(2) The acts or omissions of the Contractor or any Subcontractor.

b. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, Agents, or employees.

c. Nothing in this Section shall be construed as a modification or limitation on the Contractor's obligation to procure insurance in accordance with this Contract or the scope of said insurance.

24. Independent Contractor. The parties intend that an independent Contractor relationship will be created by this Contract. The Contractor and his or her employees or Agents performing under this Contract are not employees or Agents of the Authority. The Contractor, his or her employees, or Agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of the Authority by reason hereof, nor will the Contractor, his or her employees, or Agent make any claim of right, privilege or benefit that would accrue to such officer or employee.

All payments accrued on account of payroll taxes, unemployment contributions, and other taxes, insurance or other expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

25. Industrial Insurance Coverage. The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, HCA may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. HCA may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by HCA under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

26. **Inspection.** The Contractor shall, at no cost, provide HCA and the Office of the State Auditor with reasonable access to Contractor's place of business, Contractor's records, and HCA client records, wherever located. These inspection rights are intended to allow HCA and the Office of the State Auditor to monitor, audit, and evaluate the Contractor's performance and compliance with applicable laws, Regulations, and these Contract terms. These inspection rights shall survive for six (6) years following this Contract's termination or expiration.

27. **Limitation of Authority.** Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver of any Section or condition of this Contract is not effective or binding unless made in writing and signed by the Agent or Agent's delegate.

28. **Maintenance of Records.** The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.

    Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

29. **Notice of Overpayment.** If the Contractor receives a Vendor overpayment notice or a letter communicating the existence of an overpayment from the Office of Financial Recovery (OFR), the Contractor may protest the overpayment determination by Requesting an adjudicative proceeding. The Contractor's Request for an adjudicative proceeding must:

    a. Be received by the OFR at Post Office Box 9501, Olympia, Washington 98507-9501, within twenty-eight (28) calendar days of service of the notice;

    b. Be sent by certified mail (return receipt) or other manner that proves OFR received the Request;

    c. Include a statement as to why the Contractor thinks the notice is incorrect; and

    d. Include a copy of the overpayment notice.

    Timely and complete Requests will be scheduled for a formal hearing by the Washington State Office of Administrative Hearings. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the overpayment dispute prior to the hearing.

    Failure to provide OFR with a written Request for a hearing within twenty-eight (28) days of service of a Vendor overpayment notice or other overpayment letter will result in an overpayment debt against the Contractor. HCA may charge the Contractor interest and any costs associated with the collection of this overpayment. HCA may collect an overpayment debt through lien, foreclosure, seizure and sale of the Contractor's real or personal property; order to withhold and deliver; or any other collection action available to HCA to satisfy the overpayment debt.

30. **Order of Precedence.** In the event of any inconsistency or conflict between the General Terms and Conditions and the Special Terms and Conditions of this Contract, the inconsistency or conflict shall be resolved by giving precedence to the Special Terms and Conditions. Terms or conditions that are more restrictive, specific, or particular than those contained in the General Terms and Conditions shall not be construed as being inconsistent or in conflict.

31. **Ownership of Material.** Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the Authority. The Authority shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to the Authority effective from the moment of creation of such Materials.

Materials means all reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, films, tapes, and/or sound reproductions created by Contractor in connection with its work under the Contract and for transmission to or use by parties other than Contractor, the Authority, and their respective officers, employees and agents. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

The Contractor shall exert all reasonable effort to advise the Authority, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Authority shall receive prompt written notice of each notice or claim of copyright infringement received by the Contractor with respect to any data delivered under this Contract. The Authority shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

Notwithstanding the foregoing, and regardless of the time and purpose of its creation, Contractor retains all ownership and rights to all software, computer programming, source code, object code, and all related data, documentation, reports and information, created by Contractor, its officers, employees and/or agents ("CTS Software"). All CTS Software is Contractor's confidential and proprietary information, and shall not be disclosed or used by the Authority or any other person or entity without the express written consent of Contractor.

32. **Publicity.** The Contractor agrees to submit to the Authority all advertising and publicity matters relating to this Contract wherein the Authority's name is mentioned or language used from which the connection of the Authority's name may, in the Authority's judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity maters without the prior written consent of the Authority.

33. **Registration with State of Washington.** The Contractor shall be responsible for registering with Washington State agencies, including but not limited to, the Washington State Department of Revenue, the Washington Secretary of State's Corporations Division, and the Washington State Office of Financial Management, Division of Information Services' Statewide Vendors program.

34. **Savings.** In the event funding from State, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to its completion or termination, the Authority may terminate this Contract under the "Termination Due to Change in Funding" Section, without the ten (10) day notice requirement, subject to renegotiation at the Authority's discretion under those new funding limitations and conditions.

35. **Severability.** If any term or condition of this Contract is held invalid by any court, the remainder of this Contract remains valid and in full force and effect.

36. **Site Security.** While on the Authority's premises, the Contractor, its Agents, employees, or Subcontractors shall conform in all respects with physical, fire or other security policies or Regulations. Failure to comply with these Regulations and/or policies may be grounds for revoking or suspending security access to these facilities. The Authority reserves the right and authority to immediately revoke security access or the Contractor's Agents, employees, and/or Subcontractors for any real or threatened breach of this provision. Upon reassignment or termination of any Contractor staff, the Contractor agrees to promptly notify the HCA Contract Services.

37. **Survivability.** The terms and conditions contained in this Contract which, by their sense and context, are intended to survive the expiration or termination of the particular agreement shall survive. Surviving terms include, but are not limited to: Billing Limitations; Confidentiality, Disputes; Indemnification and Hold Harmless, Inspection, Maintenance of Records, Notice of Overpayment, Ownership of Material, Termination for Default, Termination Procedure, and Treatment of Property.

38. **Subcontracting.** Neither the Contractor nor any Subcontractor shall enter into Subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the Authority. In no event shall the existence of the Subcontract operate to release or reduce the liability of the Contractor to the Authority for any breach in the performance of the Contractor's duties. This clause does not include contracts of employment between the Contractor and personnel assigned to work under this contract.

    Additionally, the Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are carried forward to any Subcontracts. Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the Authority or as provided by law.

    If at any time during the progress of the work, the Authority determines in its sole judgment that any Subcontractor is incompetent or undesirable, the Authority shall notify the Contractor, and the Contractor shall take immediate steps to terminate the Subcontractor's involvement in the work.

    The rejection or approval by the Authority of any Subcontractor or the termination of a Subcontractor shall not relieve the Contractor of any of its responsibilities under this Contract, nor be the basis for additional charges to the Authority.

    The Authority has no contractual obligations to any Subcontractor or Vendor under contract to the Contractor. The Contractor is fully responsible for all contractual obligations, financial or otherwise, to their Subcontractors.

39. **System Security.** Unless otherwise provided, the Contractor agrees not to attach any Contractor-supplied computers, peripherals or software to the Authority Network without prior written authorization from Authority's Security Administrator. Contractor-supplied computer equipment, including both hardware and software, must be reviewed by the Authority Security Administrator prior to being connected to any Authority network connection and that it must have up-to-date anti-virus software and personal firewall software installed and activated on it.

    Unauthorized access to Authority networks and systems is a violation of Authority Policy 06-03 and constitutes computer trespass in the first degree pursuant to RCW 9A.52.110. Violation of any of these laws or policies could result in termination of the contract and other penalties.

40. **Termination – Conditional.** HCA and Contractor agree that this Contract is premised upon the legal treatment of contracted Interpreters for In-Person Interpreter Services as independent contractors of Contractor. In the event the federal government or the State of Washington or any agency, department or subdivision thereof formally challenges the status of such Interpreters as independent contractors of Contractor, subject to re-negotiation the Contactor shall each have the unqualified right to terminate the Contract, without liability or penalty of any kind, upon thirty (30) calendar days written notice to the other party, beginning on the second day after the mailing. If this Contract is so terminated, HCA shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of the termination.

41. **Termination for Convenience.** Except as otherwise provided in this Contract, the Agent, or designee, may, by giving ten (10) calendar days written notice, beginning on the second day after the mailing, terminate this Contract in whole or in part when it is in the best interest of the Authority. If this Contract is so terminated, the Authority shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination.

42. **Termination for Default.** In the event the Authority determines the Contractor has failed to comply with the terms and conditions of this Contract, the Authority has the right to suspend or terminate this Contract. The Authority shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within ten (10) business days, this Contract may be terminated. The Authority reserves the right to suspend all or part of this Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by the Authority to terminate this Contract.

    In the event of termination, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all Administrative Costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising, and staff time. The termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor:

    a. Was not in default, or

    b. Failure to perform was outside of his or her control, fault or negligence.

43. **Termination Due to Change in Funding.** If the funds HCA relied upon to establish this Contract are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, HCA may immediately terminate or unilaterally amend this Contract by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice.

44. **Termination or Expiration Procedures.** The following terms and conditions apply upon Contract termination or expiration:

a. The Authority, in addition to any other rights provided in this Contract, may require the Contractor to deliver to the Authority any property specifically produced or acquired for the performance of such part of this contract as has been terminated.

b. The Authority shall pay to the Contractor the agreed upon price, if separately stated, for completed work and service accepted by the Authority's program staff and the amount agreed upon by the Contractor and the Authority for:

(1) Completed work and services for which no separate price is stated;

(2) Partially completed work and services;

(3) Other property or services which are accepted by the Authority's program staff; and

(4) The protection and preservation of property, unless the termination is for default, in which case the Agent or designee shall determine the extent of the liability. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" Section of this contract. The Authority may withhold from any amounts due the Contractor such sum as the Agent or designee determines to be necessary to protect the Authority against potential loss or liability.

c. The rights and remedies of the Authority provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

d. After receipt of notice of termination, and except as otherwise directed by the Agent or designee, the Contractor shall:

(1) Stop work under the contract on the date, and to the extent specified in the notice;

(2) Place no further orders or Subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under this Contract that is not terminated;

(3) Assign to the Authority, in the manner, at the times, and to the extent directed by the Agent or designee, all the rights, title, and interest of the Contractor under the orders and Subcontracts so terminated; in which case the Authority has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and Subcontracts;

(4) Settle all outstanding liabilities and all claims arising out of such termination of orders and Subcontracts, with the approval or ratification of the Agent or designee to the extent the Agent or designee may require, which approval or ratification shall be final for all the purposes of this Section;

(5) Transfer title to the Authority and deliver in the manner, at the times, and to the extent directed by the Agent or designee any property which, if this Contract has been completed, would have been required to be furnished to the Authority;

(6) Complete performance of such part of the work as shall not have been terminated by the Agent or designee; and

(7) Take such action as may be necessary, or as the Agent or designee may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which the Authority has or may acquire an interest.

45. **Treatment of Property**. All property purchased or furnished by HCA for use by the Contractor during this Contract term shall remain with HCA. Title to all property purchased or furnished by the Contractor for which the Contractor is entitled to reimbursement by HCA under this Contract shall pass to and vest in HCA. The Contractor shall protect, maintain, and insure all HCA property in its possession against loss or damage and shall return HCA property to HCA upon Contract termination or expiration.

46. **Waiver.** Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the HCA Contracts Administrator or designee has the authority to waive any term or condition of this Contract on behalf of HCA.

Attachment A – Data Security Requirements

1. **Definitions**

   a. "Transmitting" means the transferring of data electronically, such as via email.

   b. "Transporting" means the physical transferring of data that has been stored.

2. **Data Transmitting.** When transmitting HCA Confidential Information electronically, including via email, the data shall be protected by:

   a. Transmitting the data within the (State Governmental Network) SGN or Contractor's internal network, or;

   b. Encrypting any data that will be transmitted outside the SGN or Contractor's internal network with 128-bit Advanced Encryption Standard (AES) Encryption or better. This includes transit over the public Internet.

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

   a. **Hard disk drives.** Data stored on local workstation hard disks. Sensitive data stored on local workstation hard disks must always be Encrypted. Storing sensitive data on workstations will be approved by management. Access to the data will be restricted to authorized users by requiring logon to the local workstation using a Unique User ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. The data on the drive will only be accessible to authenticated individuals that need to access it. That is, the data will be secured on the disk in such a way that other authenticated individuals that do not need access to the data will not have the ability to access it. Workstations with sensitive data stored on them will be tracked and their movements documented until the sensitive data is removed from the workstation. When the data is removed the date of its removal and method of its removal will be documented. Workstations hard drives that have contained sensitive data will be wiped with a method that will render the deleted information irretrievable.

   b. **Network server disks.** Data stored on hard disks mounted on network servers and made available through shared folders. Access to the data will be restricted to authorized users through the use of access control lists which will grant access only after the authorized user has authenticated to the network using a Unique User ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

      For HCA confidential data stored on these disks, deleting unneeded data is sufficient as long as the disks remain in a Secured Area and otherwise meets the requirements listed in the above paragraph. Destruction of the data as outlined in Section 5. Data Disposition may be deferred until the disks are retired, replaced, or otherwise taken out of the secure environment.

c. **Removable Media, including Optical discs (CDs or DVDs) in local workstation optical disc drives and which will not be transported out of a secure area.** Sensitive or Confidential data provided by HCA on removable media, such as optical discs or USB drives, which will be used in local workstation optical disc drives or USB connections shall be Encrypted with 128-bit AES Encryption or better. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only authorized users have the key, combination or mechanism required to access the contents of the container. Workstations which access HCA data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers and which will not be transported out of a secure area.** Data provided by HCA on optical discs which will be attached to network servers shall be Encrypted with 128-bit AES Encryption or better. Access to data on these discs will be restricted to authorized users through the use of access control lists which will grant access only after the authorized user has been authenticated to the network using a Unique User ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

e. **Paper documents.** Any paper records must be protected by storing the records in a secure area which is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

f. **Access via remote terminal/workstation over the State Governmental Network (SGN).** Data accessed and used interactively over the SGN. Access to the data will be controlled by HCA staff who will issue authentication credentials (e.g. a Unique User ID and complex password) to authorized Contractor staff. Contractor shall have established and documented termination procedures for existing staff with access to HCA data. These procedures shall be provided to HCA staff upon Request. The Contractor will notify HCA staff immediately whenever an authorized person in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever a user's duties change such that the user no longer requires access to perform work for this Contract.

g. **Access via remote terminal/workstation over the Internet through Secure Access Washington.** Data accessed and used interactively over the Internet. Access to the data will be controlled by HCA staff who will issue remote access authentication credentials (e.g. a Unique User ID and complex password) to authorized Contractor staff. Contractor will notify HCA staff immediately whenever an authorized person in possession of such credentials is terminated or otherwise leaves the employ of the Contractor and whenever a user's duties change such that the user no longer requires access to perform work for this Contract.

h. **Data storage on portable devices or media**

(1) HCA data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the Special Terms and Conditions of the contract. If so authorized, the data shall be given the following protections:

(a) Encrypt the data with a key length of at least 128 bits using an industry standard algorithm (e.g., AES, *Twofish*, *RC6*, etc.)

(b) Control access to devices with a Unique User ID and password or stronger authentication method such as a physical token or biometrics.

(c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.

Physically protect the portable device(s) and/or media by

(d) Keeping them in locked storage when not in use

(e) Using check-in/check-out procedures when they are shared, and

(f) Taking frequent inventories

(2) When being transported outside of a secure area, portable devices and media with confidential HCA data must be under the physical control of Contractor staff with authorization to access the data.

(3) Portable devices include any small computing device that can be transported. They include, but are not limited to; handhelds/PDAs/phones, Ultramobile PCs, flash memory devices (e.g. USB flash drives, personal media players), and laptop/notebook/tablet computers.

(4) Portable media includes any data storage that can be detached or removed from a computer and transported. They include, but are not limited to; optical media (e.g. CDs, DVDs), magnetic media (e.g. floppy disks, tape, Zip or Jaz disks), USB drives, or flash media (e.g. CompactFlash, SD, MMC).

4. Data Segregation

a. HCA data must be segregated or otherwise distinguishable from non-HCA data. This is to ensure that when no longer needed by the Contractor, all HCA data can be identified for return or destruction. It also aids in determining whether HCA data has or may have been compromised in the event of a security breach.

b. HCA data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-HCA data. Or,

c. HCA data will be stored in a logical container on electronic media, such as a partition or folder dedicated to HCA data. Or,

d. HCA data will be stored in a database which will contain no non-HCA data. Or,

e. HCA data will be stored within a database and will be distinguishable from non-HCA data by the value of a specific field or fields within database records. Or,

f. When stored as physical paper documents, HCA data will be physically segregated from non-HCA data in a drawer, folder, or other container.

g. When it is not feasible or practical to segregate HCA data from non-HCA data, then both the HCA data and the non-HCA data with which it is commingled must be protected as described in this exhibit.

5. **Data Disposition.** When the contracted work has been completed or when no longer needed, except as noted in 2.b above, data shall be returned to HCA or destroyed. Media on which data may be stored and associated acceptable methods of destruction are as follows:

Data stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks, Zip or similar disks)	Using a "wipe" utility which will overwrite the data at least three (3) times using either random or single character data, or Degaussing sufficiently to ensure that the data cannot be reconstructed, or Physically destroying the disk
Paper documents with sensitive or confidential data	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding by a method that renders the data unreadable, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or cutting/breaking into small pieces.
Magnetic tape	Degaussing, incinerating or crosscut shredding

6. **Notification of Compromise or Potential Compromise.** The Contractor shall have an established and documented policy to deal with the compromise or potential compromise of data that complies with the HITECH Act of ARRA 209. The Contractor shall provide HCA staff of such policy upon Request. The compromise or potential compromise of HCA shared data must be reported to the HCA Contact designated on this Contract within one (1) business day of discovery.

7. **Data shared with Subcontractors**. If HCA data provided under this Contract is to be shared with a Subcontractor, the contract with the Subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract. If the Subcontractor cannot protect the data as articulated within this Contract, then the contract with the Subcontractor must be submitted to the HCA Contact Services for review and approval.