


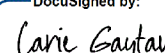

# CONTRACT AMENDMENT #3

## SIGNATURE AND COVER PAGE

<b>State Agency</b> Colorado Department of Human Services Office of Behavioral Health	<b>Original Contract Number</b> 18 IHJA 107348
<b>Contractor</b> City of Grand Junction	<b>Amendment Contract Number</b> 22 IHJA 167760
<b>Current Contract Maximum Amount</b> Initial Term	<b>Contract Performance Beginning Date</b> March 22, 2018
State Fiscal Year 2018 \$308,755.00 State Fiscal Year 2019 \$362,500.00	<b>Current Contract Expiration Date</b> June 30, 2022
Extension Terms	
State Fiscal Year 2020 \$369,075.00 State Fiscal Year 2021 \$369,075.00 State Fiscal Year 2022 \$369,075.00	
<b>Total for All State Fiscal Years</b> \$1,778,480.00	

### THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

<p style="text-align: center;"><b>CONTRACTOR</b> City of Grand Junction</p> <p>DocuSigned by:  839A39BAB7A24F1...</p> <p style="text-align: center;">By: Greg Caton City Manager</p> <p style="text-align: center;">Date: 6/8/2021</p>	<p style="text-align: center;"><b>STATE OF COLORADO</b> Jared Polis, Governor Department of Human Services Michelle Barnes, Executive Director</p> <p>DocuSigned by:  63276CF9A4844BE...</p> <p style="text-align: center;">By: Carie Gaytan Director of Finance, Office of Behavioral Health</p> <p style="text-align: center;">Date: 6/23/2021</p>
<p>In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p style="text-align: center;"><b>STATE CONTROLLER</b> <b>Robert Jaros, CPA, MBA, JD</b></p> <p>DocuSigned by:  D2A31DEB619C416...</p> <p style="text-align: center;">By: Andrea Eurich / Janet Miks / Toni Williamson</p> <p style="text-align: center;">Amendment Effective Date: 6/23/2021</p>	

**1. PARTIES**

This Amendment (the “Amendment”) to the Original Contract shown on the Signature and Cover Page for this Amendment (the “Contract”) is entered into by and between the Contractor, and the State.

**2. TERMINOLOGY**

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

**3. AMENDMENT EFFECTIVE DATE AND TERM**

**A. Amendment Effective Date**

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in §3.B of this Amendment.

**B. Amendment Term**

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment or July 1, 2021, whichever is later and shall terminate on the termination of the Contract.

**4. PURPOSE**

Under the original contract the Contractor has implemented a Co-Responder Program for its community by collaborating with key stakeholder partners.

The purpose of this contract amendment is to update and replace the following exhibits with the most current versions for Fiscal Year 2022 contract extension and renewal: Exhibit A-1, Statement of Work; Exhibit B-2, Budget, Exhibit D-2, Miscellaneous Provisions, and Exhibit E-1, HIPAA BAA/QSOA.

**5. MODIFICATIONS**

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The Contract Initial Contract Expiration Date on the Contract’s Signature and Cover Page is hereby deleted and replaced with the Current Contract Expiration Date shown on the Signature and Cover Page for this Amendment.
- B. The Contract Maximum Amount table on the Contract’s Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown on the Signature and Cover Page for this Amendment.
- C. REPLACE Exhibit A-1, Statement of Work with Exhibit A-2, Statement of Work, attached hereto and incorporated herein by reference.
- D. REPLACE all prior iterations of Exhibit B, Budget with Exhibit B-3, Budget, attached hereto and incorporated herein by reference.

- E. REPLACE Exhibit D-2, Miscellaneous Provisions, with Exhibit D-3, Miscellaneous Provisions, attached hereto and incorporated herein by reference.
- F. REPLACE Exhibit E-1, HIPAA BAA/QSOA, with Exhibit E-2, HIPAA Business Associate/42 Part 2 Qualified Service Organization Agreement, attached hereto and incorporated herein by reference.

**6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE**

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

**Exhibit A-2**  
**Co-Responder Services Program**  
**Statement of Work**

**I. Goal/Purpose**

The Co-Responder Model was developed to provide effective responses to police calls for service that involve people with behavioral health needs, to better link those individuals to appropriate services and to divert individuals from unnecessary legal system involvement and/or hospitalization, by creating partnerships between law enforcement and behavioral health professionals. Colorado is following this model that identifies calls for service where behavioral health (mental health and/or substance use) appears to be a relevant factor. Behavioral health co-responders shall be dispatched along with law enforcement or may provide a joint secondary response on these calls. The behavioral health provider shall offer assessment and crisis intervention services at the scene, provide referral information to the individual, and provide follow-up, when necessary.

The goals of the Co-Responder Services Program ("Program") are to:

1. Prevent unnecessary legal system involvement, incarceration and/or hospitalization of individuals with behavioral health needs;
2. Provide alternate care in the least restrictive environment through a coordinated system-wide approach;
3. Prevent unnecessary duplication of behavioral health services; and
4. Facilitate the return of law enforcement units to patrol activities.

**II. Objective**

The Contractor shall implement the Program for its community by collaborating with key stakeholder partners to ensure service delivery, training and resource coordination. The Contractor shall collect data, measure outcomes, and report Program outcomes to the State to assist in determining the effectiveness of the Program in diverting individuals with behavioral health needs from the criminal justice system.

**III. Activities/Services**

- A. **Start-up Period for New Project Development:** The Contractor shall establish all required Program partnerships and finalize all required contracts needed to begin its Program operations within three (3) months from the Contract Performance Beginning Date (the Start-Up Period). If the Contractor is unable to implement the Program by the end of the Start-up Period, the Contractor will be placed on a Performance Improvement Plan established in coordination with the Office of Behavioral Health (OBH).
- B. **Revised Work Plan:** The Contractor shall provide OBH with an updated Work Plan on at least an annual basis for review and approval.
- C. **Steering Committee:**
  1. The Contractor shall develop and maintain a Steering Committee to oversee the implementation and ongoing development of the Program for the duration of the Contract term. The Steering Committee shall meet at least biannually to discuss, problem-solve and/or guide any changes or issues around the implementation and ongoing development of the Program. The Steering Committee shall include high-level,



decision-making representatives from each of the key local stakeholder disciplines listed below:

- a. Lead law enforcement agency representative;
  - b. Behavioral health service provider representative;
  - c. Impacted individual/consumer or family member;
  - d. Local hospital representative; and
  - e. Regional Crisis Services Administrative Services Organization Representative.
2. Contractor shall also include other entities in the Steering Committee that it determines are integral to the success of the Program, such as prosecutors, jail administrators, advocacy groups, and harm reduction organizations.
  3. The Steering Committee shall be charged with the following:
    - a. Initial examination of the nature of the problem and help determine the Program's objectives and design;
    - b. Consider how the Program relates to other local criminal justice-behavioral health partnerships that may be in place or are in the process of being established;
    - c. Support a forum for planning decisions during the implementation phase and to provide ongoing leadership, problem-solving and design modifications throughout the life of the Program;
    - d. Designate appropriate staff to make up a Program Coordination Group;
    - e. Identify Program barriers to success and help reduce the impacts of barriers on the Program (such as identification of facilities as stated in Section H.4. below); and
    - f. Develop procedures to ensure that essential information is shared in an appropriate manner as stated in Section H.6. below.

**D. Program Coordination Group:**

1. The Contractor shall develop and maintain a Program Coordination Group to guide and support the Program operations. This Group may be the same as the Steering Committee, if the creation of two separate groups is unrealistic due to workforce and/or resource limitations. The Program Coordination Group shall:
  - a. Oversee officer and Program training implementation;
  - b. Measure the Program's progress toward achieving stated goals;
  - c. Resolve ongoing challenges to the Program's effectiveness; and
  - d. Inform agency leaders and other policymakers of Program costs, developments, and progress.
2. The Contractor shall designate a law enforcement Program Champion within each partnering law enforcement agency to serve as the agency's representative on the Program Coordination Group.

- E. Program/Project Manager:** The Contractor shall select a Program/Project Manager (Manager) and establish the Manager's role, responsibilities, and authority that includes support of the Steering Committee and the Program Coordination Group. The Contractor shall communicate via email to OBH any changes to the Manager's contact information within one business day of change.

- F. **Partnership Agreements:** The Contractor shall develop partnership agreements to address any key challenges inherent in multidisciplinary collaboration. Partnership agreements shall include a description of how partners collectively identified the need for the project, and individualized letters of support outlining each partner's level of participation and commitment in the Program, responsibilities to the Program (policy and/or operational), resources they will contribute, and processes in collecting and sharing data. CDHS and/or OBH do not, however, direct the Contractor (or any other party) to, or give the Contractor (or any other party) authority to, negotiate or enter into any agreements on behalf of CDHS or OBH.
- G. **Data Sharing Agreements:** The Contractor shall ensure a data-sharing Business Associates Agreement is developed and put in place between the partner agencies. The data-sharing agreement shall ensure that each partner agency complies with the terms of the HIPAA BAA attached to this Contract.
- H. **Program Policies and Procedures:** The Contractor shall develop and maintain Program policies and procedures, subject to OBH review and approval, including specific policies and procedures for the following aspects of the Program:
1. **Target Population and Eligibility Criteria:** The Contractor shall identify the target population, develop eligibility criteria and develop Program policies to identify individuals who will be referred to the Program. The Contractor shall ensure that the referrals include adults at risk for low-level controlled substance-related offenses and misdemeanor crimes all of whom have been repeatedly involved with law enforcement. The Contractor may expand eligibility criteria to meet specific community needs.
  2. **Call Taker and Dispatcher:** The Contractor shall develop policies and procedures for call takers and dispatchers, including, but not limited to, the call information call takers shall gather, the manner in which dispatchers will be provided with up-to-date information on staffing patterns during shifts, and the geographic areas that identify law enforcement and behavioral health co-responders designated to respond to calls.
  3. **Stabilization, Observation and Disposition:** The Contractor shall develop policies and procedures to help guide co-responder teams (officers and/or behavioral health co-responders) to resolve an encounter with the least restrictive environment for the call's circumstances.
  4. **Transportation and Custodial Transfer:** The Contractor shall develop policies and procedures to help guide effective and efficient transportation and custodial transfers. The policies shall at a minimum:
    - a. Identify facilities that are capable of assuming custodial responsibility, available at all times, have personnel qualified to conduct a behavioral health evaluation, and do not turn away people brought by law enforcement, without specific reasons.
    - b. Connect individuals with a friend or family member, a peer support group, or crisis center, when available and in noncustodial situations in which the person does not meet the criteria for emergency evaluation and is not under arrest, but officers or the team determine the individual would benefit from services and support.
    - c. Engage the services of the individual's current behavioral health provider or a crisis team.
  5. **Critical Incident Policy:** Contractor shall develop and maintain a policy for review of critical incidents (including death, physical assault and sexual assault) ("Critical Incidents") that occur during a Program intervention or response.

6. The Contractor shall submit a draft copy of each of the policies and procedures required under this Section III.H to OBH for review and comment, and work with OBH to resolve all comments from OBH and incorporate corresponding revisions as agreed upon with OBH in the final policies and procedures.
  7. **Information Exchange and Confidentiality:** The Steering Committee shall develop procedures to ensure that essential information is shared in an appropriate manner. Information shall be shared in a way that protects individuals' confidentiality rights as treatment consumers and constitutional rights as possible defendants. Individuals with behavioral health disorders who have been in contact with a behavioral health agency should be offered an opportunity to provide consent in advance for behavioral health providers to share specified information with law enforcement authorities if an incident occurs (sometimes called an advance directive).
- I. **Program Training and Cross-training:**
1. **State Program Meeting Requirements:** The Contractor shall attend an orientation session (mandatory only during Contractor's first year under the Program), monthly Program check-in meetings with the OBH manager, and other required Program meetings and training throughout the term of the Program.
  2. **Contractor Training:** The Contractor shall provide training necessary for Contractor's Program to include:
    - a. **Officer Training:** The Contractor shall provide officer training to improve officers' responses to people with behavioral health needs and to educate officers on the Program. The Contractor shall determine the amount of training necessary to ensure, at a minimum, that there is a group of officers sufficient to cover all time shifts and geographic districts.
    - b. **Cross-training:** The Contractor shall provide opportunities to behavioral health personnel and other stakeholders to help improve cross-system understanding of agencies' roles and responsibilities, law enforcement issues, Program policies and procedures, information sharing, safety and other opportunities to see policies translated into action.
- J. **Catchment Area:** The Contractor shall define the service and/or catchment area that best meets the community's needs.
- K. **Individualized Service Provision:** The Contractor's Program shall link individuals referred to or contacted by the Program to community-based behavioral health supports and services, as appropriate.
- L. **The Non-Displacement of Resources:** The Contractor shall ensure the Program participants do not receive preferential access to scarce resources that would prevent others in need or on waitlists from being served.
- M. **Evidence-Based Practices:** The Contractor shall use evidence-based and promising practices within the screening and service delivery structure, as appropriate, to support effective outcomes. The use of a risk/need/responsivity (RNR) model is encouraged to assess various factors such as substance use disorders, mental illness, cognitive or physical impairments, financial issues, family dynamics, housing instability, developmental disabilities, low literacy levels, and lack of reliable transportation, all of which may need to be addressed to support success.
- N. **Staff Time Tracking and Invoicing:** The Contractor shall ensure expenses and staff are tracked and invoiced separately for each Program or funding stream.

- O. **Use of Contract Funds:** The Contractor may use Contract Funds to support, with the approval of OBH, items including but not limited to, the following:
1. Program personnel, project management and community engagement
  2. Temporary services and treatments necessary to stabilize a participant's condition, including necessary housing
  3. Outreach and direct service costs for services
  4. Specialized program training
  5. Dedicated law enforcement resources, including overtime required for participation in operational meetings and training
  6. Training and technical assistance from experts in the implementation of Co-Responder Services Programs in other jurisdictions
  7. Collecting and maintaining the data necessary for program evaluation
- P. **Subcontractor/Partnership Termination:** In the event a partnership with a subcontractor such as a case management or service provider is terminated, the Contractor shall transition to a new partnership no later than 30 days from termination to ensure continuity of care for all participants of the Program. The Contractor shall communicate any subcontractor termination via email to the State within one Business Day.
- Q. **Critical Incident Reporting:** Incidents that fall within standard police protocols and procedures (such as the use of less-lethal interventions to maintain safety) are exempt from this requirement. If a Critical Incident (including death, physical assault and sexual assault of a participant) occurs during a Co-Responder intervention or response, the Contractor shall take the action most appropriate, from the choices below:
1. If the Contractor or subcontractor is a behavioral health agency or facility, the Contractor or subcontractor shall follow their licensing entity's critical incident protocols and policies.
  2. If the Contractor or subcontractor is not a behavioral health agency or facility and the client or participant ("Client") is known to be enrolled in services at a behavioral health agency or facility, the Contractor shall inform the service provider of the Critical Incident so that the service provider can follow their licensing entity's critical incident protocols and policies (if applicable) and for the purpose of continuity of care.
  3. For any Critical Incident involving the death of a Client, or the Client is not known to be enrolled in behavioral health services with an agency or facility, the Contractor shall share the following information with OBH via an encrypted email to [cdhs\\_ci\\_obh@state.co.us](mailto:cdhs_ci_obh@state.co.us), within 24 hours of the time the Critical Incident occurs:
    - a. Name of participant involved;
    - b. Date and time of the Critical Incident;
    - c. Location of the Critical Incident;
    - d. The nature of the Critical Incident;
    - e. How the Critical Incident was resolved;
    - f. Name[s] of staff present; and
    - g. Whether the Critical Incident resulted in any physical harm to the Client or any staff.

**IV. Deliverables**

Activities noted below shall be emailed by the listed Due Date below to [cdhs\\_deliverablesOBH@state.co.us](mailto:cdhs_deliverablesOBH@state.co.us) unless otherwise specified.

DELIVERABLES	DATE DUE
Revised Work Plan	Due 30 days from Contract Effective Date and after that annually.
Program Policies and Procedures Document	During implementation phase: <ol style="list-style-type: none"> <li>1. Draft document due to OBH 90 days from Contract Effective Date.</li> <li>2. Final document due to OBH 30 days from reviewed draft sent from OBH to Contractor.</li> </ol> Subsequent updates to policies and procedures due to OBH within 10 days of changes.
Submit copy of partnership agreement(s)	Upon execution of partnership agreement(s)
Participate in a monthly progress status meeting with the OBH Manager of Co-Responder Services. Meetings may be in-person or via phone or video conference.	Monthly
Monthly Reporting using template provided by OBH, on current performance outcomes	Monthly - 15 days after the end of the reporting month.
Submit copy of subcontract(s)	Upon execution of subcontract(s)
Submit copy of the Steering Committee and Policy Coordination Group Member Rosters*  <i>*If Steering Committee and Policy Coordination Group members are the same, note the rationale on roster.</i>	60 days after contract execution and as updated

**V. Performance Outcome Measures and Goals**

1. **Measure:** Number of referrals received and responded to by Program  
**Outcome Goal:** Of the total number of Program referrals, 70% or more will receive a response.
  
2. **Measure:** Number of calls that do not result in arrest  
**Outcome Goal:** Of the total number of active Co-Responder calls, 90% or more will not result in arrest when there is no cause for mandatory arrest (at the discretion of the officer).
  
3. **Measure:** Number of interventions, services and resource linkage provided to individuals contacted by the Program  
**Outcome Goal:** Of the total number of individuals contacted, 70% will receive one or more intervention, service, or linkage to resources.



### FY22 ANNUAL BUDGET EXHIBIT B-3

<b>OBH Program</b>	Criminal Justice - Co-Responder
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<b>Agency Name</b>	City of Grand Junction Police Department
<b>Budget Period</b>	July 1, 2021 - June 30, 2022
<b>Project Name</b>	Crisis Stabilization Unit

<b>Program Contact Name, Title</b>	Gary Marak, Commander
<b>Phone</b>	970-549-5220
<b>Email</b>	<a href="mailto:garym@gjcity.org">garym@gjcity.org</a>
<b>Fiscal Contract Name, Title</b>	Shay Harlow, Financial Analyst
<b>Phone</b>	970-549-5119
<b>Email</b>	<a href="mailto:shayh@gjcity.org">shayh@gjcity.org</a>
<b>Date Completed</b>	03/19/2021

All budget numbers are estimates. Contract billing will be on a cost reimbursement basis for actual expenses incurred.

EXPENDITURE CATEGORIES					
Personnel Services / Salaried Employees					Annual Budget
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from OBH
Police Officer	Matt Koch - GJPD	\$ 75,670.40	\$ 17,178.20	100%	\$ 92,848.60
Police Officer	Eric Wood - GJPD	\$ 75,670.40	\$ 17,178.20	100%	\$ 92,848.60
Personnel Services / Hourly Employees					Annual Budget
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from OBH
					\$ -
<b>Total Personnel Services (including fringe benefits)</b>					<b>\$ 185,697.00</b>
Subaward / Subcontractors /Consultants (payments to third parties or entities)					Annual Budget
Contractor Name	Description of Work	Rate	Quantity	Total Amount Requested from OBH	
Clinician	Clinician - Mind Springs Health	\$ 80,998.42	1	\$ 80,998.42	
Clinician	Clinician - Mind Springs Health	\$ 80,998.42	1	\$ 80,998.42	
Mind Springs Health	General Operating Expenses	\$ 605.29	12	\$ 7,263.52	
				\$ -	
<b>Total Contractors/Consultants</b>					<b>\$ 169,260.00</b>
Travel					Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH	
				\$ -	
<b>Total Travel</b>					<b>\$ -</b>
Supplies & Operating Expenses					Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH	
12 Month Ammortization	Ammortization of \$30,000 vehicle over 51 months	\$ 588.24	12	\$ 7,058.88	
12 Month Ammortization	Ammortization of \$30,000 vehicle over 51 months	\$ 588.24	12	\$ 7,058.88	
<b>Total Supplies &amp; Operating Expenses</b>					<b>\$ 14,118.00</b>
<b>TOTAL DIRECT COSTS (TDC)</b>					<b>\$ 369,075.00</b>

Less: Expenses per OMB 2CFR § 200			Exhibit B-3
		Contractor in excess of \$25,000	\$ -
		Rent	\$ -
		Equipment	\$ -
		Other Unallowable Expenses	\$ -
		<b>Total Expenses per OMB 2CFR § 200</b>	<b>\$ -</b>
<b>MODIFIED TOTAL DIRECT COSTS (MTDC)</b>			<b>\$ 369,075.00</b>
Indirect Costs			Annual Budget
Indirect Cost	Description of Item	Percentage	Total Amount Requested from OBH
Drop Down Box	<i>Describe what the cost includes and the use of allowance</i>		
N/A			
<b>Total Indirect</b>			<b>\$ -</b>
<b>TOTAL</b>			<b>\$ 369,075.00</b>

The Parties may mutually agree, in writing, to modify the Budget administratively using an OBH Budget Reallocation form





**COLORADO**  
Office of Behavioral Health  
Department of Human Services

**FY21 ANNUAL BUDGET EXHIBIT B-3**

<b>OBH Program</b>	Criminal Justice Division - Co-Responder
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<b>Agency Name</b>	City of Grand Junction
<b>Budget Period</b>	July 1, 2020 - June 30, 2021
<b>Project Name</b>	City of Grand Junction Co-Responder Program

<b>Program Contact Name, Title</b>	Gary Marak, Commander
<b>Phone</b>	970-549-5305
<b>Email</b>	garym@gjcity.org
<b>Fiscal Contract Name, Title</b>	Katherine Boozell, Financial Analyst
<b>Phone</b>	970-549-5119
<b>Email</b>	katherineb@gjcity.org
<b>Date Completed</b>	7/1/20

All budget numbers are estimates. Contract billing will be on a cost reimbursement basis for actual expenses incurred.

EXPENDITURE CATEGORIES					
<b>Personnel Services Salaried Employees</b>					<b>Annual Budget</b>
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from OBH
Officer	Co-Responder Blue Team - GJPD	\$ 75,670.40	\$ 16,908.14	100%	\$ 92,578.54
Officer	Co-Responder Green Team - GJPD	\$ 75,670.40	\$ 16,908.14	100%	\$ 92,578.54
					\$ -
					\$ -
<b>Personnel Services Hourly Employees</b>					<b>Annual Budget</b>
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from OBH
					\$ -
					\$ -
<b>Total Personnel Services (including fringe benefits)</b>					<b>\$ 185,157.00</b>
<b>Contractors/Consultants (payments to third parties or entities)</b>					<b>Annual Budget</b>
Contractor Name	Description of Work	Rate	Quantity	Total Amount Requested from OBH	
Mind Springs	(2) Mental Health Case Workers	\$ 165,000.00	1	\$ 165,000.00	
				\$ -	
<b>Total Contractors/Consultants</b>					<b>\$ 165,000.00</b>

Travel				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
Co-Responder Nat'l Conference	Send team (2 GJPD and 2 Mind Springs) to the National Co-Responder Conference. Includes registration and travel	\$ 1,200.00	4	\$ 4,800.00
				\$ -
<b>Total Travel</b>				<b>\$ 4,800.00</b>
Supplies & Operating Expenses				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
Unit # 1891	Ammortization - Co-Responder Van	\$ 588.24	12	\$ 7,058.88
Unit # 1892	Ammortization - Co-Responder Van	\$ 588.24	12	\$ 7,058.88
				\$ -
<b>Total Supplies &amp; Operating Expenses</b>				<b>\$ 14,118.00</b>
<b>TOTAL DIRECT COSTS (TDC)</b>				<b>\$ 369,075.00</b>
<b>Less: Expenses per OMB 2CFR § 200</b>				
	Subcontracts in excess of \$25,000			\$ -
	Rent			\$ -
	Equipment			\$ -
	Other Unallowable Expenses			\$ -
<b>Total Expenses per OMB 2CFR § 200</b>				<b>\$ -</b>
<b>MODIFIED TOTAL DIRECT COSTS (MTDC)</b>				<b>\$ 369,075.00</b>
Indirect Costs [not to exceed 10% unless Negotiated Federal Indirect Cost rate or Negotiated State Indirect Cost rate is attached]				Annual Budget
Item	Description of Item	Percentage	Total Amount Requested from OBH	
or 10% Indirect rate:		0%	\$ -	
<b>Total Indirect</b>				<b>\$ -</b>
<b>TOTAL</b>				<b>\$ 369,075.00</b>

The Parties may mutually agree, in writing, to modify the Budget administratively using an OBH Budget Reallocation form



**COLORADO**  
Office of Behavioral Health  
Department of Human Services

**Colorado Department of Human Services  
Office of Behavioral Health**

**FY20 ANNUAL CAPACITY BUDGET  
Exhibit B-1., Budget**

<b>Program</b>	FY20 Yr3 CO-Responder
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<b>Agency Name</b>	City of Grand Junction Police Department
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<b>Budget Period</b>	July 1, 2019 - June 30, 2020
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<b>Project Name</b>	Crisis Stabilization Unit
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<b>Program Contact Name, Title</b>	Gary Marak, Commander
<b>Phone</b>	970-549-5220
<b>Email</b>	garym@gjcity.org

<b>Fiscal Contract Name, Title</b>	Katherine Boozell, Financial Analyst
<b>Phone</b>	970-549-5119
<b>Email</b>	katherineb@gjcity.org

<b>Data Completed</b>	03/27/2019
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All budget numbers are estimates. Contract billing will be on a cost reimbursement basis for actual expenses incurred.

**EXPENDITURE CATEGORIES**

Staff Cost: Salary/Benefits					Annual Budget
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from OBH
Police Officer	Kristine Gregory - GJPD	\$ 81,286.48	\$ 29,838.02	100%	\$ 111,124.50
Sheriff Deputy	Ross Young - Mesa County	\$ 63,257.81	\$ 15,443.24	100%	\$ 78,701.05
					\$ -
Personnel Services-Hourly Employees					Annual Budget
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from OBH
					\$ -
<b>Total Personnel Services (including fringe benefits)</b>					<b>\$ 189,825.54</b>
Client Costs					Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH	
					\$ -
<b>Total Client Costs</b>					<b>\$ -</b>
Contract/Consultants Services (Subcontracts)					Annual Budget
Name	Description of Work	Rate	Quantity	Total Amount Requested from OBH	
Eric Gustafson	Clinician - Mind Springs Health	79,022.85	1	\$ 79,022.85	
Christine Stephens	Clinician - Mind Springs Health	79,022.85	1	\$ 79,022.85	
Mind Springs Health	General Operating Expenses	590.53	12	\$ 7,086.36	
					\$ -
<b>Total Contract Services</b>					<b>\$ 165,132.06</b>

Occupancy				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Occupancy</b>				<b>\$ -</b>
Operating				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Operating</b>				<b>\$ -</b>
Depreciation/Amortization				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
12 Month Amortization	Amortization of \$30,000 vehicle over 51 months			\$ 7,058.88
12 Month Amortization	Amortization of \$30,000 vehicle over 51 months			\$ 7,058.88
<b>Total Depreciation/Amortization</b>				<b>\$ 14,117.76</b>
Professional Fees				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Professional Fees</b>				<b>\$ -</b>
MSO Provider Fee				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total MSO Provider Fee</b>				<b>\$ -</b>
<b>TOTAL DIRECT COSTS (TDC)</b>				<b>\$ 369,075.36</b>
Less: Expenses per OMB 2CFR 5 200				
	Subcontracts in excess of \$25,000			\$ -
	Rent			\$ -
	Equipment			\$ -
	Other Unallowable Expenses			\$ -
<b>Total Expenses per OMB 2CFR 5 200</b>				<b>\$ -</b>
<b>MODIFIED TOTAL DIRECT COSTS (MTDC)</b>				<b>\$ 369,075.36</b>



Indirect Costs <small>[not to exceed 10% unless Negotiated Federal Indirect Cost rate or Negotiated State Indirect Cost rate is attached]</small>			Annual Budget
Item	Description of Item	Percentage	Total Amount Requested from OBH
Negotiated Federal Indirect cost rate			\$ -
Negotiated State Indirect cost rate			\$ -
or 10% Indirect rate			\$ -
<b>Total Indirect</b>			\$ -
<b>Grand Total Expenses</b>			\$ 369,075.00
Revenue Offset			Annual Budget
<b>Client Services</b>			
Medicaid Fee for Service Cash			\$ -
Medicaid Capitation Encounters			\$ -
<i>valued at the Cost Per Unit of Service per unity Cost Report of Negotiated Rates received from Regional Accountable Entity (RAE)*</i>			
OBH Indigent Encounters**			\$ -
3rd Party Insurance Cash Receipts			\$ -
Medicare Cash			\$ -
Self-Pay/Client Fees			\$ -
Cash from other Sources: (Specify below)			\$ -
			\$ -
			\$ -
<b>Total Client Services</b>			\$ -
<i>*The rate that your entity is receiving must be used to offset costs in this area</i>			
<i>**Encounters valued using the current year's fee for services schedule issued by OBH and not to exceed contract amount</i>			
<b>Contracts and Grants</b>			
MSO Revenue			\$ -
Non-Governmental Contracts			\$ -
Other State Revenue/Accrual			\$ -
Federal Grant Funds/Accrual			\$ -
Local Funds/Accrual			\$ -
Private Grant Funds/Accrual			\$ -
Public Support			\$ -
Private Support			\$ -
In-Kind Donations			\$ -
Required Match Funds			\$ -
			\$ -
Other Funds (Specify below)			\$ -
			\$ -
<b>Total Contracts and Grants</b>			\$ -
<b>Grand Total Revenue Offset</b>			\$ -
<b>Net Cost</b>			\$ 369,075.00

The Parties may mutually agree, in writing, to modify the Budget administratively using an OBH Budget Reallocation form



**Exhibit B - Budget**

**Co-Responder Program**

**Provider Name:** Grand Junction Police Department  
**Program Name:** Crisis Stabilization Unit  
**Contract Period:** 7-1-18 through 6-30-19

EXPENSES		Budget 5
<b>Program Costs</b>	<b>Personnel Cost: Salary/Benefits</b>	186,715
	<b>Client Costs</b>	-
	<b>Contract Services (Subcontracts - Community-based Organization)</b>	172,933
	<b>Occupancy</b>	-
	<b>Operating</b>	-
	<b>Depreciation/Amortization</b>	10,141
	<b>Professional Fees</b>	-
	<b>MSO Provider Fee</b>	-
	<b>Total Direct Costs</b>	<b>369,789</b>
	<b>Modified Total Direct Expenses (where applicable)*</b>	<b>369,789</b>
	<small>* Deduct unallowable expenses per OBH 1 CFR § 208 if utilizing the addition rate</small>	
<b>Indirect:</b>	<b>Indirect Costs**</b>	-
	<small>** This total may not exceed 10% of the Total Direct Costs</small>	
	<b>Grand Total Expenses</b>	<b>369,789</b>

Revenue Offsets	
<b>Client Services:</b>	
	<b>Medicaid Fee for Service Cash</b>
	<b>Medicaid Capitation Encounters *</b>
	<b>OBH Indigent Encounters *</b>
	<b>3rd Party Insurance Cash Receipts</b>
	<b>Medicare Cash</b>
	<b>Self-Pay/Client Fees</b>
	<b>Cash from Other Sources</b>
	<b>Total Client Service Cash</b>
	<b>7,289</b>

\* If Offeror is a current Community Mental Health Center (CMHC) - revenue offsets will be valued using the current year's fee for service schedule issued by OBH and not to exceed contract amount. Non CMHC Offeror's will offset based on actual reimbursement from Medicaid.

<b>Contracts and Grants:</b>	
	<b>Other OBH contracts</b>
	<b>Non-Governmental Contracts</b>
	<b>Other State Revenue/Accrual</b>
	<b>Local Funds/Accrual</b>
	<b>Federal Grant Funds/Accrual</b>
	<b>Public Support</b>
	<b>Other Funds (Specify below)</b>
	<b>Description</b>
	<b>Description</b>
	<b>Total Contracts and Grants</b>
	<b>-</b>
	<b>Grand Total Revenue Offsets</b>
	<b>7,289</b>

<b>Net Cost**</b>	<b>362,500</b>
<small>** Net Cost Invoiced may not exceed the OBH maximum contract amount for this budget line.</small>	

Provider/Subcontractor Name: Grand Junction Police Department  
 Program Name: Crisis Stabilization Unit  
 Contract Period: 7-1-18 through 6-30-19

Item/Description listed for each Budget Category/Classification	Budget Calculation and Narrative - enter calculations and detail.	Budget \$
<b>Client Costs:</b>		
1		
2		
3		
4		
5		
<b>TOTAL CLIENT COSTS:</b>		\$
<b>Contract Services (Subcontracts - Community-based Organization):</b>		
1	Mind Spring Health	\$172,933
2		
3		
4		
5		
<b>TOTAL CONTRACT SERVICES (Subcontracts):</b>		\$172,933
<b>Occupancy:</b>		
1		
2		
3		
4		
5		
6		
7		
8		
<b>TOTAL OCCUPANCY:</b>		\$
<b>Operating:</b>		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
<b>TOTAL OPERATING:</b>		\$
<b>Depreciation/Amortization:</b>		
1	Months 4-15 of 51 months amortization	\$10,141
2	\$80,000 estimated acquisition cost for two vehicles amortized over 51 months	
3		
<b>TOTAL DEPRECIATION:</b>		\$10,141.06
<b>Professional Fees:</b>		
1		
2		
3		
<b>TOTAL PROFESSIONAL FEES:</b>		\$
<b>MSQ Provider Fees:</b>		
1		
2		
3		
<b>TOTAL MSQ PROVIDER FEES:</b>		\$
<b>GRAND TOTAL:</b>		\$183,074.36

BUDGET							
	Title of Position/Position Classification	Employee Name	Start Date	FTE	Salary	Benefits	Total
1	Police Officer	To be Determined	7/1/18	1.0	80,192	28,829	109,021
2	Sheriff's Deputy	To be Determined	7/1/18	1.0	62,773	14,921	77,694
3							-
4							-
5							-
6							-
7							-
8							-
9							-
10							-
11							-
12							-
13							-
14							-
15							-
16							-
17							-
<b>TOTAL PERSONNEL:</b>				<b>2.0</b>	<b>\$ 142,965</b>	<b>\$ 43,750</b>	<b>\$ 186,715</b>

HISTORICAL



	<u>FY 2018</u>	<u>FY 2019</u>
Wages	\$ 32,038	\$ 130,713
Taxes and Benefits	8,330	33,985
Minor Equipment	7,000	
Uniforms (1)	2,920	
Project Start Up (2)	9,790	
General Operating Expenses (3)	4,117	8,235
<b>Total Direct Expenses</b>	<b>64,155</b>	<b>172,933</b>
Indirect Expense Allocation (5)	-	-
<b>Total Expense</b>	<b>64,155</b>	<b>172,933</b>
Estimated Medicaid Revenue (4)	1,430	7,289
<b>Billable Expense</b>	<b>\$ 62,725</b>	<b>\$ 165,644</b>

HISTORICAL



**Exhibit B - Budget**

**Co-Responder Program**

**Provider Name:** Grand Junction Police Department  
**Program Name:** Crisis Stabilization Unit  
**Contract Period:** April 1 through June 30, 2018

		Budget \$
<b>EXPENSES</b>		
<b>Program Costs</b>	<b>Personnel Cost: Salary/Benefits</b>	44,688
	<b>Client Costs</b>	-
	<b>Contract Services (Subcontracts - Community-based Organization)</b>	64,155
	<b>Occupancy</b>	-
	<b>Operating</b>	197,813
	<b>Depreciation/Amortization</b>	3,929
	<b>Professional Fees</b>	-
	<b>MSO Provider Fee</b>	-
	<b>Total Direct Costs</b>	310,186
	<b>Modified Total Direct Expenses (where applicable)*</b>	-
	<small>*Deduct unallowable expenses per OMB 3 CFR § 200 if utilizing the minimum rate</small>	
<b>Indirect:</b>	<b>Indirect Costs**</b>	-
	<small>**This total may not exceed 10% of the Total Direct Costs</small>	
	<b>Grand Total Expenses</b>	310,186

		Budget \$
<b>Revenue Offsets</b>		
<b>Client Services:</b>	<b>Medicaid Fee for Service Cash</b>	1,430
	<b>Medicaid Capitation Encounters *</b>	-
	<b>OBH Indigent Encounters *</b>	-
	<b>3rd Party Insurance Cash Receipts</b>	-
	<b>Medicare Cash</b>	-
	<b>Self-Pay/Client Fees</b>	-
	<b>Cash from Other Sources</b>	-
	<b>Total Client Service Cash</b>	1,430

\* If Offender is a current Community Mental Health Center (CMHC) - revenue offsets will be valued using the current year's fee for service schedule issued by OBH and not to exceed contract amount. Non CMHC Offender's will offset based on actual reimbursement from Medicaid.

<b>Contracts and Grants:</b>	<b>Other OBH contracts</b>	-
	<b>Non-Governmental Contracts</b>	-
	<b>Other State Revenue/Accrual</b>	-
	<b>Local Funds/Accrual</b>	-
	<b>Federal Grant Funds/Accrual</b>	-
	<b>Public Support</b>	-
	<b>Other Funds (Specify below)</b>	-
	<b>Description</b>	-
	<b>Description</b>	-
	<b>Total Contracts and Grants</b>	-
	<b>Grand Total Revenue Offsets</b>	1,430

<b>Net Cost**</b>	<b>308,756</b>
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\*\*Net Cost Invoiced may not exceed the OBH maximum contract amount for this budget line.

Item/Description listed for each Budget Category/Classification	Budget Calculation and Narrative - enter calculations and detail.	Budget \$
<b>Client Costs:</b>		
1		
2		
3		
4		
5		
<b>TOTAL CLIENT COSTS:</b>		\$ -
<b>Contract Services (Subcontracts - Community-based Organization):</b>		
1	Mind Springs Health	See Attached Mind Springs Detail Budget
2		\$64,155
3		
4		
5		
<b>TOTAL CONTRACT SERVICES (Subcontracts):</b>		\$ 64,155
<b>Occupancy:</b>		
1		
2		
3		
<b>TOTAL OCCUPANCY:</b>		\$ -
<b>Operating:</b>		
1	Uniform and equipment for Officer	New position will require uniforms and equipment including gun, laser, and radio \$9,000
2	Uniform and equipment for Deputy	New position will require uniforms and equipment including gun, laser, and radio \$8,400
3	Vehicle mounted radio, emergency lights and siren	\$7,000 per vehicle, total two vehicles \$14,000
4	Vehicle mounted computer including peripherals	\$6,000 per vehicle, total two vehicles \$12,000
5	Site-visits for teams and supervisors-existing crisis operations	Meals, Lodging, and Transportation for 11 individuals \$7,150
6	Travel for required grant training-eight individuals	Meals, Lodging, and Transportation \$5,200
7	CIT Training 4 @ \$600 each	\$2,400
8	CIT Training for backups 4 @ \$600 each	\$2,400
9	Training Academy for Officer and Deputy	Academy training for one Officer and one Deputy wages and benefits and academy registration. \$16,800 for academy registration (1 pd and 1so) + \$37,903 in staff time (\$21,263 pd and \$16,640 so). \$54,703
10	Field Training for Officer and Deputy	Field training time for one Officer and one Deputy wages and benefits (\$13,640 pd + \$10,660 so). \$24,300
11	Other Project Start Up Costs	Agency management, development of procedures, and other costs not yet known or identified related to starting program. May include printing, supplies, creation of policy and procedure manual. Estimated 3% of cumulative program budget. \$50,000
12	Annual Vehicle Maintenance and Fuel	Standard on-going maintenance, fuel for an estimated 18,000 miles per year \$7,980
13	Annual Cell Phone Costs	\$300
14		
<b>TOTAL OPERATING:</b>		\$ 197,813.00
<b>Depreciation/Amortization:</b>		
1	First 3 of 51 months amortization	Two Teams, each team will need a vehicle. \$30,000 estimated acquisition cost for each vehicles. Two vehicles for \$60,000 amortized over 51 months \$3,529
2		
3		
<b>TOTAL DEPRECIATION:</b>		\$ 3,529.41
<b>Professional Fees:</b>		
1		
2		
3		
<b>TOTAL PROFESSIONAL FEES:</b>		\$ -
<b>MSO Provider Fees:</b>		
1		
2		
3		
<b>TOTAL MSO PROVIDER FEES:</b>		\$ -
<b>GRAND TOTAL:</b>		\$ 265,497.12

				BUDGET			
Title of Position/Position Classification	Employee Name	Start Date	FTE	Salary	Benefits	Total	
1 Police Officer	To be Determined	4/1/18	0.25	19,772	6,356	26,128	
2 Sheriff's Deputy	To be Determined	4/1/18	0.25	15,310	3,250	18,560	
3						-	
4						-	
5						-	
6						-	
7						-	
8						-	
9						-	
10						-	
11						-	
12						-	
13						-	
14						-	
15						-	
16						-	
17						-	
<b>TOTAL PERSONNEL:</b>				<b>0.5</b>	<b>\$ 35,082.00</b>	<b>\$ 9,606.00</b>	<b>\$44,688.00</b>

HISTORICAL

## **Exhibit D-3 Miscellaneous Provisions**

### **I. General Provisions and Requirements**

#### **A. Finance and Data Protocols**

The Contractor shall comply with the Office of Behavioral Health's (OBH) most current Finance and Data Protocols and the Behavioral Health Accounting and Auditing Guidelines, made a part of this Contract by reference.

#### **B. Marketing and Communications**

The Contractor shall comply with the following marketing and communications requirements:

1. Reports or Evaluations. All reports or evaluations funded by OBH must be reviewed by OBH staff, including program, data, and communications, over a period of no fewer than 15 business days. The Contractor may be asked to place a report or evaluation on an OBH template and the report or evaluation is required to display the OBH logo. The Contractor shall submit the finished document to OBH in its final format and as an editable Word or Google document.
2. Press Releases. All press releases about work funded by OBH must note that the work is funded by the Colorado Department of Human Services, Office of Behavioral Health. Press releases about work funded by OBH must be reviewed by OBH program and communications staff over a period of no fewer than five business days.
3. Marketing Materials. Contractor shall include the current Colorado Department of Human Services, Office of Behavioral Health logo on any marketing materials, such as brochures or fact sheets, that advertise programs funded by this Contract. Marketing materials must be approved by the Contract's assigned OBH program contract over a period of no fewer than 5 business days.
4. All Other Documents. All other documents published by the Contractor about its OBH-funded work, including presentations or website content, should mention the Colorado Department of Human Services, Office of Behavioral Health as a funder.
5. Opinion of OBH. OBH may require the Contractor to add language to documents that mention OBH reading: "The views, opinions and content expressed do not necessarily reflect the views, opinions or policies of the Colorado Department of Human Services, Office of Behavioral Health."

#### **C. Cost of Living Adjustment - Option Letter**

For contracts using State funding: The State may increase or decrease the rates established in the Contract in **Exhibit B, "Budget,"** based upon a cost of living adjustment to the relevant lines in the Long Bill through an option letter. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to Contract Section 21, **"Sample Option Letter."** Delivery of Goods and performance of Services shall continue at

the same rates and terms as described in this Contract.

**D. Start-up Costs**

If the State reimburses the Contractor for any start-up costs and the Contractor closes the program or facility within three years of receipt of the start-up costs, the Contractor shall reimburse the State for said start-up costs within sixty (60) days of the closure. The Contractor is not required to reimburse the State for start-up costs if the facility or program closure is due to OBH eliminating funding to that specific program and/or budget line item.

**E. Immediate Notification of Closures / Reductions in Force**

If the Contractor intends to close a facility or program, it shall notify the OBH Contracts Unit at least five business days prior to the closure. Similarly, if the Contractor, or any sub-contractor provider, intends to conduct a reduction in force which affects a program funded through this contract, the Contractor shall notify the OBH Contracts Unit at least five business days prior to the layoffs.

**F. Licensing and Designation Database Electronic Record System (LADDERS)**

The Contractor shall use LADDERS (<http://www.colorado.gov/ladders>) as needed and/or as required by rule to submit applications for OBH licensing and designation, keep current all provider directory details, update daily bed counts (as applicable), and submit policies and procedures.

**G. Contract Contact Procedure**

The Contractor shall submit all requests for OBH interpretation of this Contract or for amendments to this Contract to the OBH Contract Manager.

**H.** The Contractor shall comply with all the provisions and requirements of RFP # 2018000065.

**I. Continuity of Operations Plan**

1. In the event of an emergency resulting in a disruption of normal activities, OBH may request that Contractor provide a plan describing how Contractor will ensure the execution of essential functions of the Contract, to the extent possible under the circumstances of the inciting emergency (“Continuity of Operations Plan” or “Plan”).
2. OBH will set a deadline and destination email address or other contact information for a draft of the Continuity of Operations Plan at time of request. Deadline will be reasonable under the circumstances of the emergency.
3. The Continuity of Operations Plan must be specific and responsive to the circumstances of the inciting emergency.
4. OBH will provide feedback and edits to the Continuity of Operations Plan within a reasonable time frame following receipt under the circumstances of the emergency (for example, five business days where electronic communications are not disrupted).

5. OBH will present Contractor with a final Continuity of Operations Plan to Contractor for Contractor to approve in writing (hard or electronic formats). Upon Contractor's acceptance of the final Plan, Contractor may begin to operate under the terms of the Continuity of Operations Plan.
6. The Continuity of Operations Plan will not impact or change the budget or any other provisions of the contract, and Contractor's performance of the final Continuity of Operations Plan will be held to the same standards and requirements as the original Contract terms, unless otherwise specified in the Continuity of Operations Plan.
7. OBH will submit the Continuity of Operations Plan as a formal contract amendment to CDHS Contracts Management as soon as is practicable.
8. Contractor shall communicate with OBH a minimum of once weekly, in a format mutually agreed upon by OBH and Contractor staff, to monitor services under the Continuity of Operations Plan. If adjustments are needed to the Plan, Contractor and OBH shall follow the procedures in section I.1-I.5 to make the change.
  - a. As part of the weekly OBH/Contractor communication, Contractor and OBH will evaluate whether the emergency situation has resolved such that normal operations may be resumed.
  - b. If Contractor and OBH determine that the emergency situation is sufficiently resolved, Contractor will present a 30-day closeout procedure. Contractor and OBH shall follow the procedures in section I.1-I.5 to ratify the closeout procedure. Weekly reporting shall continue throughout the closeout period and for four weeks after termination of the Continuity of Operations Plan.
  - c. OBH will submit notice of termination of the Continuity of Operations Plan as a formal contract amendment to CDHS Contracts Management as soon as is practicable.

#### J. Cultural Responsiveness in Service Delivery

1. The Office of Behavioral Health expects funding dollars to support equity in access, services provided, and behavioral health outcomes among individuals of all cultures, gender identities, sexual orientations, races, and ethnicities. Accordingly, Contractors should collect and use data to: (1) identify priority populations vulnerable to health disparities (e.g., racial, ethnic, limited English speaking, tribal, sexual orientation, gender identity groups, etc.) and (2) implement strategies to decrease the disparities in access, service use, and outcomes—both within those subpopulations and in comparison to the general population.
2. One strategy for addressing health disparities is the use of the recently revised National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care (CLAS). The U.S. Department of Health and Human

Services (HHS) Think Cultural Health website (<https://thinkculturalhealth.hhs.gov/>) also features information, continuing education opportunities, resources, and more for health and health care professionals to learn about culturally and linguistically appropriate services, or CLAS.

3. Contractors providing direct behavioral health prevention, treatment, or recovery services shall submit one of the following two documents to [cdhs\\_deliverables@state.co.us](mailto:cdhs_deliverables@state.co.us) by August 31 annually:
  - a. If a provider has completed an equity plan that identifies how they will address health equity, they can submit the plan or;
  - b. Submit a completed CLAS checklist that follows this HHS format: <https://thinkculturalhealth.hhs.gov/assets/pdfs/AnImplementationChecklistfortheNationalCLASStandards.pdf>

## II. Use of Subcontracts.

- A. Services described in this Contract may be performed by Contractor or by a subcontractor, except where this Contract states explicitly that a service must not be subcontracted.
  1. Contractor shall ensure that its subcontractors perform to the terms of this Contract.
- B. Any subcontract for services must include, at a minimum, the following:
  1. A description of each partner's participation
  2. Responsibilities to the program (policy and/or operational)
  3. Resources the subcontractor will contribute, reimbursement rates, services to be included and processes in collecting and sharing data and the most recent CDHS version of the HIPAA Business Associates Addendum, if this Contract contains the HIPAA Business Associates Addendum/Qualified Service Organization Addendum as an exhibit.
- C. The Contractor shall provide to OBH a copy of any proposed subcontract between the Contractor and any potential provider of services to fulfill any requirements of this Contract, to [cdhs\\_deliverablesobh@state.co.us](mailto:cdhs_deliverablesobh@state.co.us) within 30 days of subcontract execution.
- D. OBH reserves the right to require Contractor to renegotiate subcontracts where necessary to adhere to the terms of this Contract.
- E. Subcontractor/Partnership Termination. In the event where partnerships with a subcontractor such as a treatment provider is terminated, the Contractor shall transition to a new partnership no later than 30 days from termination to ensure continuity of care for all participants of the program.



### **III. Additional Remedies**

#### **A. Duty to Act in Good Faith**

The Contractor shall comply with all the provisions of this contract and its amendments, if any, and shall act in good faith in the performance of the requirements of said contract. The Contractor agrees that failure to act in good faith in the performance with said requirements may result in the assessment of remedial actions, liquidated damages and/or termination of the contract in whole or in part and/or other actions by the State as allowed by law as set forth in this contract.

#### **B. Corrective Action**

The State will notify the Contractor of non-compliance and subsequently, after consultation with the Contractor, will establish a schedule for the Contractor to cure non-compliance. The Contractor shall be responsible for the submission of a plan of corrective action in accordance with said schedule. If full compliance is not achieved, or a plan of action for correction is not submitted and approved by the State within the scheduled time frame, the State may exercise remedies specified in the General Provisions "Remedies" section of this Contract. If the State determines that the Contractor continues to be out of compliance with the Contract, the State may exercise liquidated damages herein.

#### **C. Liquidated Damages.**

If an extension of time is not granted by the State, and the required performance associated with this contract is not received from the Contractor then liquidated damages of \$300 a day will be assessed and may be permanently withheld from payments due to the Contractor for each day that performance is late. The parties agree that incomplete or incorrect performance shall also be cause for "late performance." The parties agree that the damages from breach of this contract are difficult to prove or estimate, and the amount of liquidated damages specified herein represents a reasonable estimation of damages that will be suffered by the State from late performance, including costs of additional inspection and oversight, and lost opportunity for additional efficiencies that would have attended on-time completion of performance. Assessment of liquidated damages shall not be exclusive of or in any way limit remedies available to the State at law or equity for Contractor breach.

### **IV. Audit Requirements**

#### **A. Independent Audit Requirements**

1. "Independent financial audit" shall be defined as follows— a financial audit conducted by a certified public accounting firm or certified public accountant (CPA) in accordance with generally accepted accounting principles and applicable federal regulations. The CPA or firm must be independent of the Contractor. "Independent" means not a regular full-time or part-time employee of the Contractor and not receiving any form of compensation from the Contractor other than compensation that the CPA receives for the conduct of the financial audit.
2. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$300,000 or more during its fiscal year shall

have an independent financial audit performed annually. The audit shall identify, examine, and report the income and expenditures specific to operation of the services described in this contract. The audit will be presented in the format specified in the "Accounting and Auditing Guidelines" for Colorado Department of Human Services, Office of Behavioral Health (OBH), found on the OBH website.

3. The Contractor agrees to comply with the qualified or disclaimer opinion rendered by the independent auditor on financial statements or the negative opinion on peer review reports. Non-compliance with these standards shall result in enforcement of remedies against the Contractor as provided in this Contract.

#### B. Annual Single Audit

1. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$750,000 or more during its fiscal year, then the Contractor or sub-contractor shall have an audit of that fiscal year in accordance with the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507).

### V. Financial Requirements

#### A. Funding Sources

1. The Contractor shall identify all funds delivered to subcontractors as state general fund, state cash funds, or federal grant dollars in **Exhibit B, "Budget."**
2. If a Single Audit is performed in accordance with Section IV.B. above, the Contractor shall report the amount of the federal grant identified in the budget under the CFDA number identified on the first page of this Contract.
3. The Contractor shall communicate the CFDA number to all sub-contractors in their sub-contracts.

#### B. Budget Reallocations

1. The Contractor may reallocate funds between the budget categories of this contract, up to 10% of the total contract amount, upon written approval by OBH, without a contract amendment. Any allowable reallocation is still subject to the limitations of the Not to Exceed and the Maximum Amount Available per Fiscal Year.

#### C. Payment Terms

1. The Contractor shall invoice monthly for services, no later than the 20th of the month following when services are provided.
2. The Contractor shall utilize the invoice template(s) provided by OBH.
3. All payment requests shall be submitted electronically to [OBHpayment@state.co.us](mailto:OBHpayment@state.co.us)
4. Any requests for payment received after September 10th for the prior state fiscal year cannot be processed by OBH.
5. The State will make payment on invoices within 45 days of receipt of a correct and complete invoice to [OBHpayment@state.co.us](mailto:OBHpayment@state.co.us). Consequently, the Contractor must have adequate solvency to pay its expenses up to 45 days after invoice submission to the State.



## **EXHIBIT E-2**

### **HIPAA BUSINESS ASSOCIATE / 42 PART 2**

### **QUALIFIED SERVICE ORGANIZATION AGREEMENT**

This HIPAA Business Associate/42 Part 2 Qualified Service Organization Agreement (“Agreement”) between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as “Covered Entity” and the Contractor is referred to as “Business Associate”. Unless the context clearly requires a distinction between the Contract and this Agreement, all references to “Contract” shall include this Agreement.

#### **1. PURPOSE**

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information ("PHI"). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) enacted under the American Recovery and Reinvestment Act of 2009 (“ARRA”) Pub. L. No. 111-5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the “HIPAA Rules”) and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and all other applicable laws and regulations, all as may be amended.

#### **2. DEFINITIONS**

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

- a. Business Associate. “Business Associate” shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103 and, and shall refer to Contractor.
- b. Covered Entity. “Covered Entity” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and shall refer to the State.
- c. Information Technology and Information Security. “Information Technology” and “Information Security” shall have the same meanings as the terms “information technology” and “information security”, respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

### 3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

#### a. Permitted Uses and Disclosures.

- i. Business Associate shall use and disclose PHI only to accomplish Business Associate's obligations under the Contract.
- i. To the extent Business Associate carries out one or more of Covered Entity's obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.
- ii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:
  - A. the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;
  - B. the person notifies Business Associate of any Breach involving PHI of which it is aware.
- iii. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.

d. Minimum Necessary. Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).

#### e. Impermissible Uses and Disclosures.

- i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.
- ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.

#### f. Business Associate's Subcontractors.

- i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.

- ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.
  - iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.
- g. Access to System. If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at <http://oit.state.co.us/about/policies>.
- h. Access to PHI. Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.
- i. Amendment of PHI.
- i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.
  - ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.
- j. Accounting Rights. Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.
- k. Restrictions and Confidential Communications.
- i. Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:
    - A. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or
    - B. a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.
  - ii. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.
  - iii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.
- l. Governmental Access to Records. Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.

m. Audit, Inspection and Enforcement.

- i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.
- ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.

n. Appropriate Safeguards.

- i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.
- ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.
- iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.
- iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

o. Safeguard During Transmission.

- i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.
- ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

p. Reporting of Improper Use or Disclosure and Notification of Breach.

- i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is

required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.

- ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
  - iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.
  - iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.
- q. Business Associate's Insurance and Notification Costs.
- i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:
    - A. loss of PHI data;
    - B. Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.; and
    - C. claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.
  - ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).
  - iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.
  - iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.
- r. Subcontractors and Breaches.
- i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.



- ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.
- s. Data Ownership.
  - i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.
  - ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.
- t. Retention of PHI. Except upon termination of this Agreement as provided in Section 5, below, Business Associate and its Subcontractors or agents shall retain all PHI throughout the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section 3.h, above, for a period of six years.

#### 4. OBLIGATIONS OF COVERED ENTITY

- a. Safeguards During Transmission. Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.
- b. Notice of Changes.
  - i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.
  - ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

#### 5. TERMINATION

- a. Breach.
  - i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.
  - ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.



b. Effect of Termination.

- i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.
- ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.
- iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

## 6. INJUNCTIVE RELIEF

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach. Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

## 7. LIMITATION OF LIABILITY

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

## 8. DISCLAIMER

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

## 9. CERTIFICATION

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

## 10. AMENDMENT

- a. Amendment to Comply with Law. The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.
- i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.
  - ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.
  - iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.
  - iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:
    - A. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or
    - B. Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient, in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.
- b. Amendment of Appendix. The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.

## 11. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may

include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

## 12. INTERPRETATION AND ORDER OF PRECEDENCE

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

## 13. SURVIVAL

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this agreement and shall be enforceable by Covered Entity.

## APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT

This Appendix (“Appendix”) to the HIPAA Business Associate Agreement (“Agreement”) is s an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract.

Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to “Contract” or “Agreement” shall include this Appendix.

### 1. PURPOSE

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as “Reserved” shall be construed as setting forth no additional terms.

### 2. ADDITIONAL TERMS

- a. Additional Permitted Uses. In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:
  - i. Reserved.
- b. Additional Permitted Disclosures. In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:
  - i. Reserved.
- c. Approved Subcontractors. Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:
  - i. Reserved.
- d. Definition of Receipt of PHI. Business Associate’s receipt of PHI under this Contract shall be deemed to occur, and Business Associate’s obligations under the Agreement shall commence, as follows:
  - i. Reserved.
- e. Additional Restrictions on Business Associate. Business Associate agrees to comply with the following additional restrictions on Business Associate’s use and disclosure of PHI under the Contract:
  - i. Reserved.

The Associate:

Acknowledges this agreement qualifies as a Qualified Service Organization Addendum as the agreement is between a Substance Abuse Program (“Program”) and a Qualified Service Organization as defined by 42 C.F.R. Part 2.

Acknowledges that in receiving, transmitting, transporting, storing, processing or otherwise dealing with any information received from the Program identifying or otherwise relating to the patient in the Program (“protected information”), it is fully bound by the provisions of the federal regulations governing the Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2. Protected information encompasses protected health information (“PHI”) and references to PHI shall be understood to include protected information.

Agrees to resist any efforts in judicial proceeding to obtain access to the protected information except as expressly provided for in the regulations governing the Confidentiality of Alcohol and Drug Abuse patient Records, 42 C.F.R. Part 2.

Agrees that if the Associate enters into a contract with any agent or subcontractor, the agent or subcontractor will agree to comply with 42 C.F.R Part 2.

Agrees to ensure that any agent or subcontractor to whom the Associate provides protected information received from the Program, or creates or receives on behalf of the Program, agrees to the same restrictions and conditions that apply through this agreement to the Associate with respect to such information.

i. Agrees that redisclosure of protected information is prohibited unless permitted by 42 C.F.R. Part 2.

f. Additional Terms. Business Associate agrees to comply with the following additional terms under the Agreement.

i. Reserved.



**COLORADO**

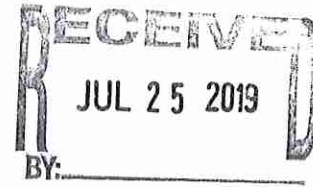
Office of Behavioral Health

Department of Human Services

Robert Werthwein, PhD, Director, Office of Behavioral Health

July 18<sup>th</sup>, 2019

Greg Caton  
City Manager  
City of Grand Junction  
250 N. 5th Street  
Grand Junction, CO 81501



Dear Mr. Greg Caton,

Enclosed please find a signed and fully executed contract amendment (CMS 20 IHJA 129242) between City of Grand Junction and the Office of Behavioral Health. This contract is effective through June 30<sup>th</sup>, 2020. It is understood that City of Grand Junction will abide by all terms and conditions outlined in this contract.

Please place a copy of this correspondence in the contract file. If you have any questions regarding this project, please do not hesitate to contact me with reference to the CMS number listed above. Thank you.

Respectfully,

*Ying Moua*

Ying Moua  
Contracts Administrator  
Office of Behavioral Health  
Finance and Contracts  
303-866-7722  
[ying.moua@state.co.us](mailto:ying.moua@state.co.us)



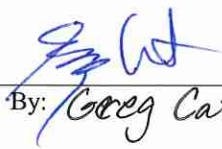

# CONTRACT AMENDMENT #1

## SIGNATURE AND COVER PAGE

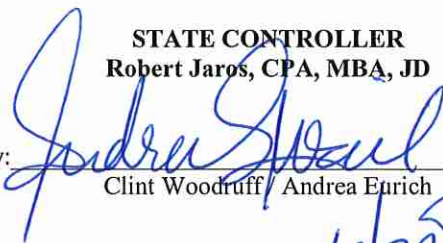
<b>State Agency</b> Department of Human Services Office of Behavioral Health	<b>Original Contract Number</b> 18 IHJA 107348
<b>Contractor</b> City of Grand Junction	<b>Amendment Contract Number</b> 20 IHJA 129242
<b>Current Contract Maximum Amount</b> Initial Term State Fiscal Year 2018                      \$308,755.00 State Fiscal Year 2019                      \$362,500.00 Extension Terms State Fiscal Year 2020                      \$369,075.00  Total for All State Fiscal Years                      \$1,040,330.00	<b>Contract Performance Beginning Date</b> March 22, 2018  <b>Current Contract Expiration Date</b> June 30, 2020

### THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

<b>CONTRACTOR</b> City of Grand Junction   By: <u>Greg Caton, City Manager</u>  Date: <u>5/20/19</u>	<b>STATE OF COLORADO</b> Jared Polis, Governor Department of Human Services Michelle Barnes, Executive Director   By: <u>Carie Gaytan, Director of Finance</u> Office of Behavioral Health  Date: <u>6/7/2019</u>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

<b>STATE CONTROLLER</b> Robert Jaros, CPA, MBA, JD   By: <u>Clint Woodruff / Andrea Eurich</u>  Amendment Effective Date: <u>6/20/19</u>	
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**1. PARTIES**

This Amendment (the "Amendment") to the Original Contract shown on the Signature and Cover Page for this Amendment (the "Contract") is entered into by and between the Contractor, and the State.

**2. TERMINOLOGY**

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

**3. AMENDMENT EFFECTIVE DATE AND TERM**

**A. Amendment Effective Date**

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in §3.B of this Amendment.

**B. Amendment Term**

The Parties' respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment or July 01, 2019, whichever is later and shall terminate on the termination of the Contract.

**4. PURPOSE**

The purpose of this contract amendment is to update and replace the following exhibits for FY20 contract extension and renewal: Budget for FY20; Work Plan; Miscellaneous Provisions to include cost of living adjustment language; and HIPAA BAA/QSOA with the most current version.

**5. MODIFICATIONS**

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The Contract Initial Contract Expiration Date on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Expiration Date shown on the Signature and Cover Page for this Amendment.
- B. The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown on the Signature and Cover Page for this Amendment.
- C. REPLACE Exhibit B., Budget with Exhibit B-1., Budget, attached hereto and incorporated by reference.
- D. REPLACE Exhibit C., Work Plan with Exhibit C-1., Work Plan, attached hereto and incorporated by reference.
- E. REPLACE Exhibit D., Miscellaneous Provisions with Exhibit D-1., Miscellaneous Provisions, attached hereto and incorporated by reference.
- F. REPLACE Exhibit E., HIPAA BAA/QSOA with Exhibit E-1., HIPAA BAA/QSOA, attached hereto and incorporated by reference.



**6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE**

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.



**COLORADO**  
Office of Behavioral Health  
Department of Human Services

**Colorado Department of Human Services  
Office of Behavioral Health**

**FY20 ANNUAL CAPACITY BUDGET  
Exhibit B-1., Budget**

<b>Program</b>	FY20 Yr3 CO-Responder
----------------	-----------------------

<b>Agency Name</b>	City of Grand Junction Police Department
<b>Budget Period</b>	July 1, 2019 - June 30, 2020
<b>Project Name</b>	Crisis Stabilization Unit

<b>Program Contact Name, Title</b>	Gary Marak, Commander
<b>Phone</b>	970-549-5220
<b>Email</b>	garym@gjcity.org
<b>Fiscal Contract Name, Title</b>	Katherine Boozell, Financial Analyst
<b>Phone</b>	970-549-5119
<b>Email</b>	katherineb@gjcity.org
<b>Date Completed</b>	03/27/2019

All budget numbers are estimates. Contract billing will be on a cost reimbursement basis for actual expenses incurred.

EXPENDITURE CATEGORIES					
Staff Cost: Salary/Benefits					Annual Budget
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from OBH
Police Officer	Kristine Gregory - GJPD	\$ 81,286.48	\$ 29,838.02	100%	\$ 111,124.50
Sheriff Deputy	Ross Young - Mesa County	\$ 63,257.81	\$ 15,443.24	100%	\$ 78,701.05
					\$ -
Personnel Services-Hourly Employees					Annual Budget
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from OBH
					\$ -
<b>Total Personnel Services (including fringe benefits)</b>					<b>\$ 189,825.54</b>
Client Costs					Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH	
					\$ -
<b>Total Client Costs</b>					<b>\$ -</b>
Contract/Consultants Services (Subcontracts)					Annual Budget
Name	Description of Work	Rate	Quantity	Total Amount Requested from OBH	
Eric Gustafson	Clinician - Mind Springs Health	79,022.85	1	\$ 79,022.85	
Christine Stephens	Clinician - Mind Springs Health	79,022.85	1	\$ 79,022.85	
Mind Springs Health	General Operating Expenses	590.53	12	\$ 7,086.36	
					\$ -
<b>Total Contract Services</b>					<b>\$ 165,132.06</b>

Occupancy				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Occupancy</b>				<b>\$ -</b>
Operating				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Operating</b>				<b>\$ -</b>
Depreciation/Amortization				Annual Budget
Item	Description of Item			Total Amount Requested from OBH
12 Month Amortization	Amortization of \$30,000 vehicle over 51 months			\$ 7,058.88
12 Month Amortization	Amortization of \$30,000 vehicle over 51 months			\$ 7,058.88
<b>Total Depreciation/Amortization</b>				<b>\$ 14,117.76</b>
Professional Fees				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total Professional Fees</b>				<b>\$ -</b>
MSO Provider Fee				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
<b>Total MSO Provider Fee</b>				<b>\$ -</b>
<b>TOTAL DIRECT COSTS (TDC)</b>				<b>\$ 369,075.36</b>
Less: Expenses per OMB 2CFR § 200				
	Subcontracts in excess of \$25,000			\$ -
	Rent			\$ -
	Equipment			\$ -
	Other Unallowable Expenses			\$ -
<b>Total Expenses per OMB 2CFR § 200</b>				<b>\$ -</b>
<b>MODIFIED TOTAL DIRECT COSTS (MTDC)</b>				<b>\$ 369,075.36</b>



Indirect Costs [not to exceed 10% unless Negotiated Federal Indirect Cost rate or Negotiated State Indirect Cost rate is attached]			Annual Budget
Item	Description of Item	Percentage	Total Amount Requested from OBH
Negotiated Federal Indirect cost rate			\$ -
Negotiated State Indirect cost rate			\$ -
or 10% Indirect rate:			\$ -
<b>Total Indirect</b>			<b>\$ -</b>
<b>Grand Total Expenses</b>			<b>\$ 369,075.00</b>
Revenue Offset			Annual Budget
<b>Client Services</b>			
Medicaid Fee for Service Cash			\$ -
Medicaid Capitation Encounters			\$ -
<i>valued at the Cost Per Unit of Service per unity Cost Report of Negotiated Rates received from Regional Accountable Entity (RAE)*</i>			
OBH Indigent Encounters**			\$ -
3rd Party Insurance Cash Receipts			\$ -
Medicare Cash			\$ -
Self-Pay/Client Fees			\$ -
Cash from other Sources: (Specify below)			\$ -
			\$ -
			\$ -
<b>Total Client Services</b>			<b>\$ -</b>
<i>*The rate that your entity is receiving must be used to offset costs in this area</i>			
<i>**Encounters valued using the current year's fee for services schedule issued by OBH and not to exceed contract amount</i>			
<b>Contracts and Grants</b>			
MSO Revenue			\$ -
Non-Governmental Contracts			\$ -
Other State Revenue/Accrual			\$ -
Federal Grant Funds/Accrual			\$ -
Local Funds/Accrual			\$ -
Private Grant Funds/Accrual			\$ -
Public Support			\$ -
Private Support			\$ -
In-Kind Donations			\$ -
Required Match Funds			\$ -
			\$ -
Other Funds (Specify below)			\$ -
			\$ -
<b>Total Contracts and Grants</b>			<b>\$ -</b>
<b>Grand Total Revenue Offset</b>			<b>\$ -</b>
<b>Net Cost</b>			<b>\$ 369,075.00</b>

The Parties may mutually agree, in writing, to modify the Budget administratively using an OBH Budget Reallocation form

**EXHIBIT C-1., WORKPLAN**  
Grand Junction Co-Responder Services Program

**PROJECT WORK PLAN**

<b>(1) Goal:</b>	Reduce the utilization of high-cost services such as Emergency Departments and keep law enforcement officers on the street responding to calls.		
<b>Objectives:</b>	Resolve 50% of individuals contacted by the Crisis Support Team in place (not transporting that individual to any medical service).		
<b>Project activities that support the identified goal and objectives</b>	<b>Responsible staff/ partners</b>	<b>Timeline</b>	
		<b>Start Date</b>	<b>End Date</b>
A. Schedule and complete teams shadowing the Fort Collins co-responder teams for training and orientation to include direct response and secondary response teams.	City of Grand Junction Police Department, Mesa County Sheriff's Department, and Mind Springs Health	July 1, 2019	June 30, 2020
B. Create and complete Memorandum of Understanding	City of Grand Junction Police Department	July 1, 2019	December 31, 2019
C. Work with community partners to educate them on the new teams and what they will be doing.	City of Grand Junction Police Department and Mesa County Sheriff's Department	July 1, 2019	June 30, 2020
D. Detail the data to be collected from the GJPD systems and train back up teams in the data collection processes.	City of Grand Junction Police Department	July 1, 2019	December 31, 2019
E. Schedule regularly occurring monthly steering committee meetings.	City of Grand Junction Police Department	July 1, 2019	June 30, 2020

<b>(2) Goal:</b>	Reduce the number of calls made to 911 and nonemergent calls for behavioral health or mental health crisis reasons by top utilizers.		
<b>Objectives:</b>	The Crisis Support Team will locate high utilizers with referrals and linkage to appropriate resources for behavioral or mental health crisis reduction of high utilizers calls by 40%.		
<b>Project activities that support the identified goal and objectives</b>	<b>Responsible staff/ partners</b>	<b>Timeline</b>	
		<b>Start Date</b>	<b>End Date</b>
A. Crisis Support Team will document and track linkage and referrals made to top utilizers.	City of Grand Junction Police Department, Mesa County Sheriff's Department, and Mind Springs Health	January 1, 2019	December 31, 2020
B. Establish a baseline of the percentage of referrals made by teams, then create and implement strategies to reach the 40% goal.	City of Grand Junction Police Department Mesa County Sheriff's Department, and Mind Springs Health	January 1, 2019	June 30, 2019
C. Track 911 usage by top utilizers and create a baseline and track progress toward reducing the usage during this time by 40% goal.	City of Grand Junction Police Department, Mesa County Sheriffs Department	January 1, 2019	June 30 <sup>th</sup> , 2020
D. Determine documentation and reporting methods for referral and linkages made or offered by the Crisis Support Team.	Mind Springs Health	January 1, 2019	December 31, 2020



## **EXHIBIT D-1., MISCELLANEOUS PROVISIONS**

### **Co-Responder Program**

#### **I. General Provisions and Requirements**

##### **A. Finance and Data Protocols**

The Contractor shall comply with the Office of Behavioral Health's (OBH) most current Finance and Data Protocols and the Behavioral Health Accounting and Auditing Guidelines, made a part of this Contract by reference.

##### **B. Print and Marketing Materials**

When the Contractor publishes newsletters, consumer pamphlets, or other publications where financial contributors/funders are noted, the State shall be listed as funder. Contractor shall include the current Colorado Department of Human Services logo on any visual marketing materials that advertise programs funded by this Contract.

##### **C. Option Letter**

For contracts using State funding: The State may increase or decrease the rates established in the Contract in **Exhibit B-1, "Budget,"** based upon a County-initiated cost of living adjustment through an option letter. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to Contract Section 23, "**Sample Option Letter.**" Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Contract.

##### **Start-up Costs**

If the State reimburses the Contractor for any start-up costs and the Contractor closes the program or facility within three years of receipt of the start-up costs, the Contractor shall reimburse the State for said start-up costs within sixty (60) days of the closure. The Contractor is not required to reimburse the State for start-up costs if the facility or program closure is due to OBH eliminating funding to that specific program and/or budget line item.

##### **D. Immediate Notification of Closures / Reductions in Force**

If the Contractor intends to close a facility or program, it shall notify the OBH Contracts Unit at least five business days prior to the closure. Similarly, if the Contractor, or any sub-contractor provider, intends to conduct a reduction in force which affects a program funded through this contract, the Contractor shall notify the OBH Contracts Unit at least five business days prior to the layoffs.

##### **E. Licensing and Designation Database Electronic Record System (LADDERS)**

The Contractor shall use LADDERS (<http://www.colorado.gov/ladders>) as needed and/or as required by rule to submit applications for OBH licensing and designation, keep current all provider directory details, update daily bed counts (as applicable), and submit policies and procedures.

##### **F. Contract Contact Procedure**

The Contractor shall submit all requests for OBH interpretation of this Contract or for amendments to this Contract to the OBH Contract Manager.

##### **G. The Contractor shall comply with all the provisions and requirements of RFP # 2018000065.**

## II. Additional Remedies

### A. Duty to Act in Good Faith

The Contractor shall comply with all the provisions of this contract and its amendments, if any, and shall act in good faith in the performance of the requirements of said contract. The Contractor agrees that failure to act in good faith in the performance with said requirements may result in the assessment of remedial actions, liquidated damages and/or termination of the contract in whole or in part and/or other actions by the State as allowed by law as set forth in this contract.

#### Corrective Action

The State will notify the Contractor of non-compliance and subsequently, after consultation with the Contractor, will establish a schedule for the Contractor to cure non-compliance. The Contractor shall be responsible for the submission of a plan of corrective action in accordance with said schedule. If full compliance is not achieved, or a plan of action for correction is not submitted and approved by the State within the scheduled time frame, the State may exercise remedies specified in the General Provisions "Remedies" section of this Contract. If the State determines that the Contractor continues to be out of compliance with the Contract, the State may exercise liquidated damages herein.

#### Liquidated Damages.

If an extension of time is not granted by the State, and the required performance associated with this contract is not received from the Contractor then liquidated damages of \$300 a day will be assessed and may be permanently withheld from payments due to the Contractor for each day that performance is late. The parties agree that incomplete or incorrect performance shall also be cause for "late performance." The parties agree that the damages from breach of this contract are difficult to prove or estimate, and the amount of liquidated damages specified herein represents a reasonable estimation of damages that will be suffered by the State from late performance, including costs of additional inspection and oversight, and lost opportunity for additional efficiencies that would have attended on-time completion of performance. Assessment of liquidated damages shall not be exclusive of or in any way limit remedies available to the State at law or equity for Contractor breach.

## III. Audit Requirements

### A. Independent Audit Requirements

1. "Independent financial audit" shall be defined as follows— a financial audit conducted by a certified public accounting firm or certified public accountant (CPA) in accordance with generally accepted accounting principles and applicable federal regulations. The CPA or firm must be independent of the Contractor. "Independent" means not a regular full-time or part-time employee of the Contractor and not receiving any form of compensation from the Contractor other than compensation that the CPA receives for the conduct of the financial audit.
2. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$300,000 or more during its fiscal year shall have an independent financial audit performed annually. The audit shall identify, examine, and report the income and expenditures specific to operation of the services described in this contract. The audit will be presented in the format specified in the "Accounting and Auditing Guidelines" for Colorado Department of Human Services, Office of Behavioral Health (OBH), found on the OBH website.



3. The Contractor agrees to comply with the qualified or disclaimer opinion rendered by the independent auditor on financial statements or the negative opinion on peer review reports. Non-compliance with these standards shall result in enforcement of remedies against the Contractor as provided in this Contract.

#### B. Annual Single Audit

1. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$750,000 or more during its fiscal year, then the Contractor or sub-contractor shall have an audit of that fiscal year in accordance with the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507).

### IV. Financial Requirements

#### A. Funding Sources

1. The Contractor shall identify all funds delivered to subcontractors as state general fund, state cash funds, or federal grant dollars in **Exhibit B-1, "Budget."**
2. If a Single Audit is performed in accordance with Section III.B. above, the Contractor shall report the amount of the federal grant identified in the budget under the CFDA number identified on the first page of this Contract.
3. The Contractor shall communicate the CFDA number to all sub-contractors in their sub-contracts.

#### B. Unit Cost Report

1. Contractor and all sub-contractors providing behavioral health treatment and recovery services shall complete and submit a unit cost report in accordance with the accounting and auditing guidelines by November 30th each year.

#### C. Budget Reallocations

1. The Contractor may reallocate funds between the budget categories of this contract, up to 10% of the total contract amount, upon written approval by OBH, without a contract amendment. Any allowable reallocation is still subject to the limitations of the Not to Exceed and the Maximum Amount Available per Fiscal Year.

#### D. Payment Terms

1. The Contractor shall invoice monthly for services, no later than the 20th of the month following when services are provided.
2. The Contractor shall utilize the invoice template(s) provided by OBH.
3. All payment requests shall be submitted electronically to [OBHpayment@state.co.us](mailto:OBHpayment@state.co.us)
4. Any requests for payment received after September 10th for the prior state fiscal year cannot be processed by OBH.
5. The State will make payment on invoices within 45 days of receipt of a correct and complete invoice to [OBHpayment@state.co.us](mailto:OBHpayment@state.co.us). Consequently, the Contractor must have adequate solvency to pay its expenses up to 45 days after invoice submission to the State.

## EXHIBIT E-1, HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement (“Agreement”) between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as “Covered Entity” and the Contractor is referred to as “Business Associate”. Unless the context clearly requires a distinction between the Contract and this Agreement, all references to “Contract” shall include this Agreement.

### 1. PURPOSE

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information (“PHI”). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) enacted under the American Recovery and Reinvestment Act of 2009 (“ARRA”) Pub. L. No. 111-5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the “HIPAA Rules”) and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and all other applicable laws and regulations, all as may be amended.

### 2. DEFINITIONS

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

- a. Business Associate. “Business Associate” shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103, and shall refer to Contractor.
- b. Covered Entity. “Covered Entity” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and shall refer to the State.
- c. Information Technology and Information Security. “Information Technology” and “Information Security” shall have the same meanings as the terms “information technology” and “information security”, respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

### 3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

- a. Permitted Uses and Disclosures.
  - i. Business Associate shall use and disclose PHI only to accomplish Business Associate’s obligations under the Contract.



- i. To the extent Business Associate carries out one or more of Covered Entity's obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.
  - ii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:
    - A. the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;
    - B. the person notifies Business Associate of any Breach involving PHI of which it is aware.
  - iii. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.
- b. Minimum Necessary. Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).
- c. Impermissible Uses and Disclosures.
  - i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.
  - ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.
- d. Business Associate's Subcontractors.
  - i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.
  - ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.
  - iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.
- e. Access to System. If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at <http://oit.state.co.us/about/policies>.

- f. Access to PHI. Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.
- g. Amendment of PHI.
- i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.
  - ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.
- h. Accounting Rights. Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.
- i. Restrictions and Confidential Communications.
- i. Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:
    - A. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or
    - B. a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.
  - ii. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.
  - iii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.
- j. Governmental Access to Records. Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.
- k. Audit, Inspection and Enforcement.
- i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.
  - ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.



l. Appropriate Safeguards.

- i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.
- ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.
- iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.
- iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

m. Safeguard During Transmission.

- i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.
- ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

n. Reporting of Improper Use or Disclosure and Notification of Breach.

- i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.
- ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
- iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.
- iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.

o. Business Associate's Insurance and Notification Costs.

- i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:
  - A. loss of PHI data;
  - B. Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.;and

- C. claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.
  - ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).
  - iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.
  - iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.
- p. Subcontractors and Breaches.
  - i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.
  - ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.
- q. Data Ownership.
  - i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.
  - ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.
- r. Retention of PHI. Except upon termination of this Agreement as provided in Section 5, below, Business Associate and its Subcontractors or agents shall retain all PHI throughout the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section 3.h, above, for a period of six years.

#### 4. OBLIGATIONS OF COVERED ENTITY

- a. Safeguards During Transmission. Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.
- b. Notice of Changes.



- i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.
- ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

## 5. TERMINATION

### a. Breach.

- i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.
- ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.

### b. Effect of Termination.

- i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.
- ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.
- iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

## 6. INJUNCTIVE RELIEF

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach. Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

## 7. LIMITATION OF LIABILITY

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

## 8. DISCLAIMER

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

## 9. CERTIFICATION

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

## 10. AMENDMENT

- a. Amendment to Comply with Law. The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.
  - i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.
  - ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.
  - iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.
  - iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:
    - A. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or
    - B. Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient, in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.
- b. Amendment of Appendix. The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.



## 11. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

## 12. INTERPRETATION AND ORDER OF PRECEDENCE

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

## 13. SURVIVAL

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this agreement and shall be enforceable by Covered Entity.

# APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT

This Appendix (“Appendix”) to the HIPAA Business Associate Agreement (“Agreement”) is an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract.

Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to “Contract” or “Agreement” shall include this Appendix.

## 1. PURPOSE

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as “Reserved” shall be construed as setting forth no additional terms.

## 2. ADDITIONAL TERMS

- a. Additional Permitted Uses. In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:
  - i. Reserved.
- b. Additional Permitted Disclosures. In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:
  - i. Reserved.
- c. Approved Subcontractors. Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:
  - i. Subcontractors with Patient Consent.
- d. Definition of Receipt of PHI. Business Associate’s receipt of PHI under this Contract shall be deemed to occur, and Business Associate’s obligations under the Agreement shall commence, as follows:
  - i. Reserved.
- e. Additional Restrictions on Business Associate. Business Associate agrees to comply with the following additional restrictions on Business Associate’s use and disclosure of PHI under the Contract:
  - i. Covered Entity is a Business Associate of certain other Covered Entities and, pursuant to such obligations of Covered Entity, Associate shall comply with the following restrictions on the use and disclosure of Protected Information:
  - ii. The Associate:
    - A. Acknowledges this agreement qualifies as a Qualified Service Organization Addendum as the agreement is between a Substance Abuse Program (“Program”) and a Qualified Service Organization as defined by 42 C.F.R. Part 2.
    - B. Acknowledges that in receiving, transmitting, transporting, storing, processing or otherwise dealing with any information received from the Program identifying or otherwise relating to the patient in the Program (“protected information”), it is

fully bound by the provisions of the federal regulations governing the Confidentiality of Substance Use Disorder Abuse Patient Records, 42 C.F.R. Part 2. Protected information encompasses protected health information (“PHI”) and references to PHI shall be understood to include protected information.

- C. Agrees to resist any efforts in judicial proceeding to obtain access to the protected information except as expressly provided for in the regulations governing the Confidentiality of Substance Use Disorder patient Records, 42 C.F.R. Part 2.
  - D. Agrees that if the Associate enters into a contract with any agent or subcontractor, the agent or subcontractor will agree to comply with 42 C.F.R Part 2.
  - E. Agrees to ensure that any agent or subcontractor to whom the Associate provides protected information received from the Program, or creates or receives on behalf of the Program, agrees to the same restrictions and conditions that apply through this agreement to the Associate with respect to such information.
  - F. Agrees that redisclosure of protected information is prohibited unless permitted by 42 C.F.R. Part 2.
- f. Additional Terms. Business Associate agrees to comply with the following additional terms under the Agreement:
- i. Reserved.