



STATE OF WASHINGTON

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Health & Recovery Services Administration
P.O. Box 45502, Olympia, Washington 98504-5502

October 22, 2007

Dear Tribal Chair:

Following our meetings with Tribal representatives in September and October, there was a request for a consultation with the tribes regarding the Alcohol and Drug Addiction Treatment and Support Act (ADATSA) program. The consultation is scheduled for December 10, 2007 from 9:00 a.m. – 4:00 p.m., to be held at the Health and Recovery Services Administration (HRSA) building, Cherry Street Plaza, in Olympia in the Apple/Peach Room. I am seeking your input regarding the enclosed contract language, funding process and reallocation of unspent funds.

There will be workgroup discussions on this at the monthly Tribal–HRSA meeting scheduled for November 13, 2007 at Quinault Nation Tribal Center in Taholah. I am enclosing the current ADATSA contract and the reallocation process flow chart for your review prior to the meeting. Funding distribution options will be available at the workgroup discussion in November. Also enclosed are the directions to the Cherry Street Plaza building.

If you have any questions or need further information, please contact by phone or email, Sandra Mena-Tyree, at (360) 725-3749, email menasa@dshs.wa.gov; or Deb Sosa, HRSA, at (360)-725-1649, sosada@dshs.wa.gov.

Sincerely,

Doug Porter, Assistant Secretary
Health & Recovery Services Administration

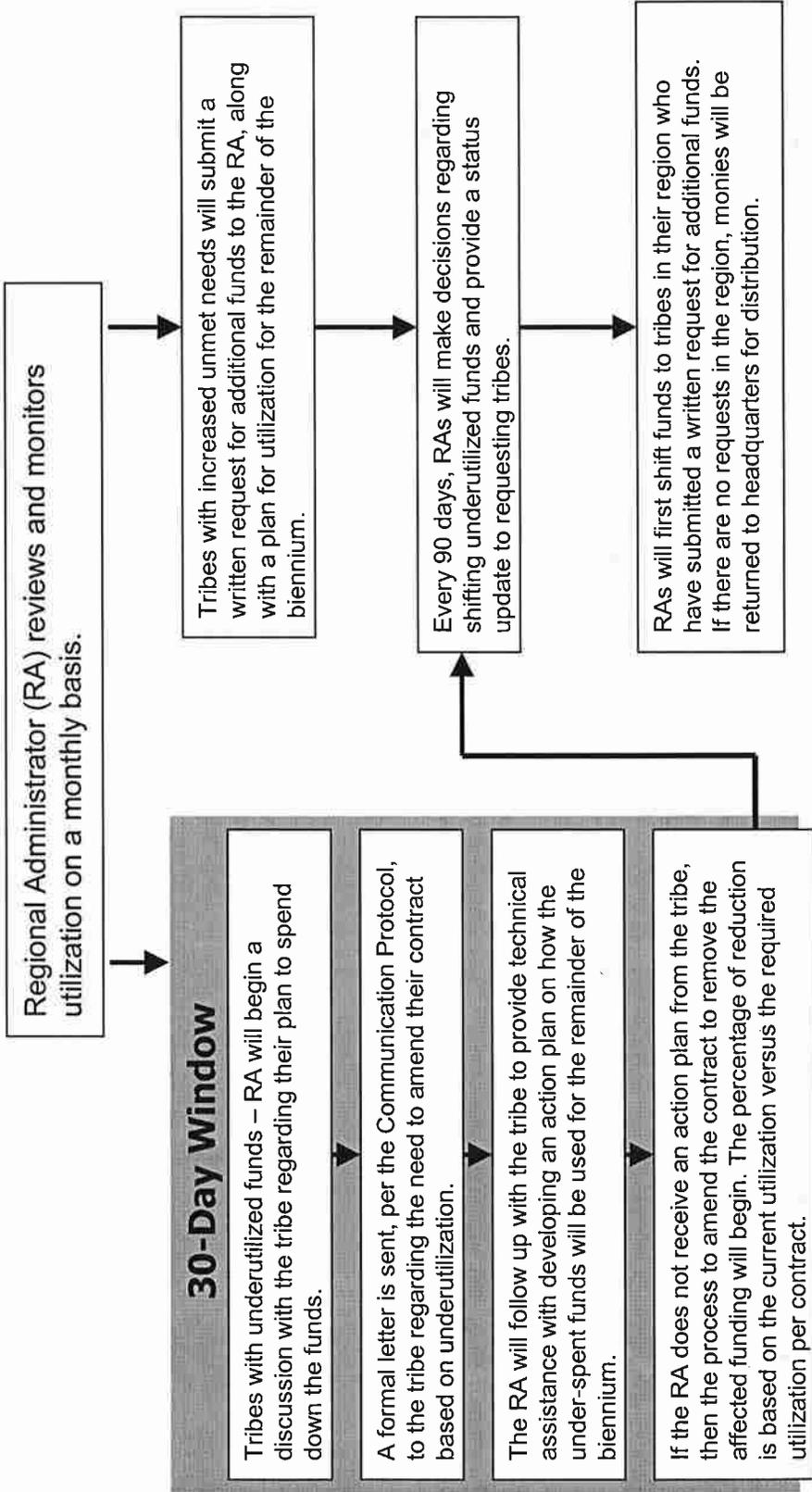
Cc: Doug Allen
John Taylor
Sandra Mena-Tyree
Virginia Ochoa
Michael Langer
Tiffany Villines
Colleen Cawston
Deb Sosa
Roger Gantz
Pam Mann
Thuy Hua-Ly

ECC: IPAC
Enclosures: (3)

Reallocation Process



Division of Alcohol and Substance Abuse
www1.dshs.wa.gov/dasa



By law, funds cannot be double-obligated. Amendments removing underutilized funds from affected tribes must be signed and executed before funds can be amended into contracts with tribes who have unmet needs.

Directions to Cherry Street Plaza



Address: 626 8th Avenue SE

Building Entrance: corner of 8th and Chestnut

Visitor Parking: lot on corner of 7th and Chestnut or meter parking on street

Please check in with receptionist upon entering Cherry Street Plaza.

Southbound to Olympia:

Take I-5 south bound to exit 105. Exit 105 will split, stay on the right and follow the ramp to the intersection of Plum Street and Union Avenue. Go through the intersection and proceed to 8th Avenue. Turn left onto 8th Avenue, proceed one block and turn right onto Chestnut Street. The visitor parking lot is on your right behind Tacoma Electric.

Northbound to Olympia:

Take I-5 north bound to exit 105. Exit 105 will split, stay on the right and follow the ramp to the intersection of Plum Street and Union Avenue. Go through the intersection and proceed to 8th Avenue. Turn left onto 8th Avenue, proceed one block and turn right onto Chestnut Street. The visitor parking lot is on your right behind Tacoma Electric.

If you have any questions, please contact Dorothy Smith at 360-725-1868.

1. Definitions

- a. "ADATSA" means Alcoholism and Drug Addiction Treatment and Support Act.
- b. "Awards and Revenues" or "A&R" details the Indian Nation's Awards and Revenues and as attached as Exhibit A.
- c. "Awards" means the total funding of all individual awards DASA allocates to the Indian Nation, and the total of all awards in this Agreement's Maximum Program Agreement Amount, which is itemized, per service, in Exhibit A.
- d. "BARS" means the Washington State Auditor's Office Budgeting, Accounting, and Reporting System.
- e. "DASA" means the DSHS Division of Alcohol and Substance Abuse within the Department of Social and Health Services.
- f. "DASA certification" means an Indian Nation's program has submitted an application to be a certified DASA program, and has been approved and certified by DASA for chemical dependency services.
- g. "DSHS" or "Department" means the Washington State Department of Social and Health Services.
- h. "DSHS Consolidated Contract" means a contract through DSHS Central Contracts combining all DSHS Program Agreements under one contract. No funding will be co-mingled.
- i. "Executed" means a completed, and formally signed, and dated contract.
- j. "FBO" means Faith Based Organizations.
- k. "GAIN-SS" means the Global Assessment of Individual Needs – Short Screener tool for conducting the integrated comprehensive screening for coordinating chemical dependency and mental health issues.
- l. "HRSA" means the Health and Recovery Services Administration, the administration within DSHS authorized to administer the acute care portion of the Title XIX Medicaid and the state-funded medical care programs.
- m. "Match" means the Indian Nation's cost share for treatment services as identified in the A&R Exhibit A and designated on their Service Rates Plan (SRP).
- n. "OTS" means the Office of Technology Services, the office within HRSA that manages the Information systems.
- o. "Patient" means individuals who are eligible for services under this Agreement.
- p. "Service Rates Plan" or "SRP" means the biennial plan that states the negotiated costs per service unit.
- q. "Treatment" for purposes of this Agreement, means chemical dependency treatment services which consist of a broad range of outpatient services and care.

- r. "Treatment and Assessment Report Generation Tool" or "TARGET" means the management information system maintained by HRSA OTS that retains demographic, treatment, and ancillary service data on each individual receiving DASA-funded outpatient and residential chemical dependency treatment services in Washington State as well as data on other general services provided.

2. Contract Submittal and Execution

The Indian Nation must return two signed original ADATSA Indian Nation Program Agreements, herein referred to as Agreement, which are signed by the authorized Tribal designee. The Indian Nation shall submit this signed Agreement, to the DASA Contracts Section at the address listed below.

DASA Contracts Section
Post Office Box 45330
Olympia, Washington 98504-5330

- a. DASA retains the right to amend funds associated with this Agreement, after the Indian Nation's failure to submit two original signed Agreements to DASA within the start date of this Agreement.
- b. This Agreement shall not be considered binding until it has been:
- (1) Signed and returned by the Indian Nation; **and**
 - (2) Executed by DASA.
- c. If the Indian Nation participates in the DSHS Consolidated Contract Project, the following will occur:
- This Agreement will be terminated for convenience;
- (1) The Indian Nation will be reimbursed for treatment services provided up to the date of termination under this Agreement; and
 - (2) All remaining unspent dollars will be reallocated to the DSHS Consolidated Contract.

3. Incorporation

Each of the documents listed below are, by this reference, incorporated into this Agreement as though fully set forth herein, including any amendments, modifications, or supplements:

- a. DASA Tribal Implementation Guide (DTIG)
- b. Service Rates Plan (SRP);
- c. Awards and Revenues (A&R) (Exhibit A);
- d. Statement of Work (Exhibit B);
- e. Standards for Reimbursable Costs (Exhibit C);
- f. Protective Payee Agreement (Exhibit D); and
- g. ADATSA Backup Information (Exhibit E).

4. Purpose

The purpose of this Agreement is for the Indian Nation to provide Community Alcohol and Other Drug Services as described below and as set forth in the attached Statement of Work, Exhibit B.

5. Service Rates Plan (SRP)

- a. For each allowable BARS the Indian Nation shall negotiate with the Regional Administrator (RA) the cost per unit of service that shall be provided during the biennium.
- b. The SRP shall be approved by the RA prior to payment being authorized.

6. Background Checks

The Revised Code of Washington (RCW) 43.43 and Washington Administrative Code (WAC) 388-805-200(2) require criminal background checks (CBCs) when employing staff members, including volunteers and subcontractors, who have unsupervised access to child, adolescents, vulnerable adults, and persons who have developmental disabilities. All Tribal staff members; subcontractors, such as treatment staff members, prevention staff members, case managers, outreach staff members, etc.; or volunteers who have unsupervised access to children, adolescents, or vulnerable adults are required to have a background check.

7. Statement of Work

The Indian Nation shall perform the services in accordance with the terms, conditions, and specifications provided in this Contract including the Statement of Work, Exhibit B.

8. Consideration

- a. The Maximum Program Agreement Amount for the entire Agreement is \$XXXXXXXXXX. Of this amount \$XXXXXXXXXX is from the Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds. The Catalog of Federal Domestic Assistance (CFDA) number is 93.959. . The remaining \$ XXXXXXXXXX is from State Funds.
- b. The Indian Nation's total match for this entire Agreement is \$XXXXXX. This total match amount shall be amended if the Maximum Program Agreement Amount is amended.
- c. Changes to the Maximum Program Agreement Amount shall be done through an amendment to this Agreement and the SRP as agreed upon with the DASA RA.
- d. The Federal SAPT funds cannot be used for Living Stipends.
- e. The Contractor shall ensure that actual costs incurred are within the period of performance of this Agreement.
- f. If the service levels for treatment services/activities provided by the County falls below 85 percent of the service levels identified in the SRP, DASA reserves the right to reduce the treatment service/activity funds awarded in this Agreement
- g. The distribution of the funds shall be negotiated with the DASA Regional Administrator and submitted on a SRP.
- h. If this Agreement is terminated, DSHS shall only pay for performance rendered or costs incurred in accordance with the terms of the Agreement prior to the effective date of the termination.
- i. No reduction shall be made without 30 days prior written notice to the Indian Nation specifying the reason for the reduction, the amount to be reduced, and the effective date of the reduction.

9. Funding Allocation

The Indian Nation shall comply with the following funding allocation provisions:

a. Indian Nation Participation Match Requirement:

- (1) In accordance with RCW 70.96A.047, the Indian Nation shall share in the cost of services provided under this Agreement.
- (2) The Indian Nation's Participation Match shall be included as an allocated cost in the SRP and in the A&R. Use of the Indian Nation's Participation Match is subject to rules defined in the Fiscal Policies Standards for Reimbursable Costs of the DTIG
- (3) The Indian Nation's Participation Match shall in no case be less than the 10 percent minimum.
- (4) The Indian Nation shall submit the DSHS "Local Match Certification Form," or a form that has equivalent data elements, annually to DASA at the end of each fiscal year to document the Indian Nation Participation requirement has been met. The local match form shall be submitted within one month of the end of the fiscal year. Payment shall not be processed to prior to the submission of the Local Match Certification Form.

b. Service Availability

The Indian Nation shall budget funds awarded under this Agreement that are allocated for assessment and treatment services in such a manner to ensure availability of such services throughout the entire term of this Agreement. If necessary, the Indian Nation shall limit access to services and make use of waiting lists for this purpose.

10. Billing and Payment

a. General

- (1) DASA shall not make payment to the Indian Nation for any services or activities until DASA has received and approved the Indian Nation's SRP and the Agreement has been executed by DASA.
- (2) DSHS shall reimburse the Indian Nation for actual costs of services provided under this Agreement as approved on the SRP. The total amount of reimbursement shall not exceed the Maximum Program Agreement Amount in accordance with the approved SRP and Exhibit C, DASA Standards for Reimbursable Costs.
- (3) The Indian Nation shall bill DASA monthly for treatment services using a DASA supplied pre-coded Invoice Voucher and submit it to the DASA RA
- (4) The Indian Nation shall bill for administration costs based upon 10 percent of the Tribal's Maximum Program Agreement Amount.
- (5) The total amount of reimbursement for each award shall not exceed the itemized Awards on the A&R.
- (6) Claims for outpatient treatment shall include an attached TARGET M2/M4 report supporting the individual therapy and the group therapy hours being billed. The department will pay using established general Title XIX rates:

- (7) Claims for living stipends shall include the ADATSA Backup Information Form, Exhibit "E".
- (8) Payment shall be considered timely if made by DSHS within thirty (30) days after receipt and acceptance of properly completed Invoice Vouchers. Payment shall be sent to the address designated by the Indian Nation on page one (1) of this Agreement. DSHS may, at its sole discretion, withhold payment claimed by the Indian Nation for services rendered if the Indian Nation fails to satisfactorily comply with any term or condition of this Agreement.

11. Advance Payment and Billing Limitations

- a. DSHS shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Agreement.
- b. DSHS shall pay the Indian Nation only for authorized services provided in accordance with this Agreement. If this Agreement is terminated for any reason, DSHS shall pay only for services authorized and provided through the date of termination.
- c. Unless otherwise specified in this Agreement, DSHS shall not pay any claims for payment for services submitted more than ninety (90) days after the calendar month in which the services were performed.
- d. When additional funds are added to the Agreement due to over-performance, the Indian Nation may bill for those services. Those services shall be entered as an Indian Nation Community services fund source in TARGET.
- e. The Indian Nation shall not bill and DSHS shall not pay for services performed under this Agreement, if the Indian Nation has charged or will charge the State of Washington or any other party for the same services.
- f. The Indian Nation shall ensure that final billing for services against this Agreement shall occur no more than 90 days after the end of this Agreement.

12. Reporting

DASA Management Information System:

- a. The Contractor shall participate fully and completely in the OTS Management Information System (TARGET or its successors for all DASA-funded service recipients. To comply with this requirement, all Contractors must have:
 - (1) A functional personal computer using Windows Operating System (NT Workstation 4.0, Windows 2000 Workstation, or Windows XP or above) that has a connection to the internet.
 - (2) At least one trained primary and one back-up data operator who has a functional Universal Serial Bus (USB) token protected high security level digital certificate from the State of Washington Certification Authority (Digital Signature Trust) and registered for TARGET access.
- b. Because the digital certificate is issued to an individual staff not to an agency, the Contractor shall implement procedures to ensure that there is no sharing of digital certificate, pass phrases or TARGET logon information.
- c. Reporting Contractors shall notify DASA in writing the employees who resign or terminated and the new employees who need access to TARGET data.

- d. Computers that access TARGET shall be located in secure areas away from the general public viewing and traffic.
- e. The Contractor shall have access to the technical expertise necessary to keep the TARGET resources operational.
- f. A Contractor may enter into a Qualified Service Agreement with another organization to meet TARGET contract-reporting requirements.
- g. TARGET reporting shall include the prompt and orderly submission of all required data, completed in detail and submitted in the manner and timeframes prescribed by DASA, including timely discharge and disclosure of records.
- h. Prompt submission means: data shall be entered in the computer by the tenth calendar day of the month following the month of service.
- i. Documentation of non-compliance with TARGET reporting requirements may result in a corrective action towards the Contractor and/or the withholding of funds.
- j. The Contractor shall require and ensure that its subcontractors comply and meet the TARGET reporting requirements.

13. Other Reporting

The Contractor shall:

- a. Establish an integrated comprehensive screening and assessment process for chemical dependency and mental disorders and co-occurring chemical dependency and mental disorders per RCW 70.96C.010.
- b. Use the Global Assessment of Individual Needs – Short Screener (GAIN-SS) as the tool for conducting the integrated comprehensive screen on all new patients.
- c. Provide an integrated assessment for those with a positive screen for the possibility of a co-occurring disorder.
- d. Complete and document GAIN-SS scores on all new patients entering into services and shall document the quadrant placement during the assessment process and again on discharge into TARGET.

14. Data Sharing Arrangement

- a. Entities Receiving and Providing Data

The contact information of the Data Provider is on page number one under the Indian Nation Name, and the contact information of the Data Recipient is one page one under DSHS Administration..

- b. Purpose and Justification

Federal regulations and state law require that DASA maintain a data system that will report on all chemical dependency services to all opiate substitution treatment patients and all other patients that are publicly funded. DASA uses the TARGET system to meet this mandate.

DASA uses summary (non-patient specific) information for contract monitoring, legislative reporting, and to show how public dollars are spent at both the state and federal levels. Additionally, DASA research staff use data for research studies to show effectiveness of treatment, cost savings resulting from dollars spent on chemical dependency services, and outcome studies which support budget requests and effective treatment strategies.

c. Description of Data

The Indian Nation and all subcontractors shall submit the full set of TARGET data as determined by the current version of the TARGET data collection forms and as described in the current version of the TARGET Data Dictionary. The data shall be submitted in a timely and accurate fashion.

The data shall be stored and managed by HRSA OTS. The data is stored in computers located in the HRSA offices. The computers are located in a locked facility in a locked unmarked room. All data is maintained on machines that require double log-ins and passwords. Only HRSA OTS staff has access to this computer room. Access to any patient-identifying information in the data system is limited to those programs that put the information into the system and to those state or Indian Nation staff that have a legal need to know the specific information.

d. Access to Data

(1) Method of Access/Transfer:

The data shall be provided to DASA on a regular basis through the TARGET Internet reporting system.

(2) Frequency of Data Exchange:

Data is to be submitted on a regular and consistent basis using whatever schedule that the Indian Nation or Subcontractor elects, provided that all service is reflected in the system within thirty days of the service delivery date. The expectation is that the data for a given month of service will be entered into the system by the tenth day of the month following.

(3) Other Provisions Regarding Data:

The raw data and analyses generated by DASA will not identify personal information by name, and will be used for evaluation reporting purposes only.

e. Security of Data

(1) Data Protection

The Indian Nation shall not share digital certificates, user ID's or passwords between staff members or other workers.

The Indian Nation shall ensure there is at least one trained backup data-entry worker at the service agency throughout the contract period.

The Indian Nation shall ensure the subcontractor takes due care to protect said data from unauthorized physical and electronic access.

(2) Data Disposition

The data provided to HRSA shall remain the property of DSHS and shall be maintained in a secure fashion until such time as the Department determines that it should be destroyed.

f. Confidentiality and Nondisclosure:

- (1) The data recipient, and any Indian Nation or subcontractor of the data recipient, may use Personal Information and other information or data gained by reason of this INPA only for the purpose of this INPA. The data recipient shall not disclose, transfer or sell any such information to any party, except as provided by law or, in the case of Personal Information, with the prior written consent of the person to whom the Personal Information pertains. The data recipient shall maintain the confidentiality of all Personal Information and other information gained by reason of this INPA.
- (2) No information that identifies an individual patient is shared with any other agency (Indian Nation, state, federal or other) unless the request is specifically approved in writing by the patient or the sharing meets one of the exceptions described in CFR 42 Part 2. All DASA staff are required to sign an Oath of Confidentiality that states specifically the prohibitions in the federal law and indicates the criminal penalties for violations.

g. Persons having access to data:

Access to data shall be limited to staff whose duties specifically require access to such data in the performance of their assigned duties. Prior to making data available, data recipient shall notify all staff with access to the data of the use and disclosure requirements.

15. Non Compliance

- a. **Recovery of Costs Claimed in Error:** If the Indian Nation claims and DASA reimburses for expenditures under this Agreement which DASA later finds were (1) claimed in error or (2) not allowable costs under the terms of the Agreement, DASA shall recover those costs and the Indian Nation shall fully cooperate with the recovery.
- b. **Refusal of Further Contracts:** If the Indian Nation's Agreements are terminated for default, the Department may declare the Contractor ineligible to contract with the Department, in whole or in part, for a period to be determined by DSHS.
- c. **Stop Placement:** The Department may stop the placement of patients in a treatment facility immediately upon finding that the Indian Nation or its subcontractor(s) is not in compliance with provisions of the WAC or the Indian Nation General Terms and Conditions.
- d. **Additional Remuneration Prohibited:** The Indian Nation shall not charge or accept additional remuneration from any patient or relative, friend, payee, guardian, or attorney of the patient, or any other person, for service provided under this Agreement other than those specifically authorized by the Department. In the event the Indian Nation charges or accepts prohibited remuneration, the Department shall have the right to assert a claim against the Indian Nation on behalf of the patient, per RCW 74.09. Any violation of this provision shall be deemed a material breach of this Agreement.
- e. **General Non-Reporting:** In the event the Indian Nation or a subcontractor fails to maintain its reporting obligations under this Agreement, DASA reserves the right to withhold reimbursements to the Indian Nation until the obligations are met.

16. Subcontracting

- a. All activities performed pursuant to this Agreement, which are not performed directly by the Indian Nation, must be conducted in accordance with the terms set forth in this Agreement.
- b. The Indian Nation shall submit copies of all subcontract boilerplate language and any subsequent boilerplate changes and subcontract amendments to the DASA RA for review within 30 days prior to the subcontract execution.
- c. The Indian Nation shall ensure that all treatment services provided pursuant to this Agreement are delivered by programs that meet the standards for program operation set forth in WAC 388-805 or its successor and have received and maintain DASA certification.
- d. DASA reserves the right to inspect any subcontract document.
- e. Any subcontract which allows the subcontractor to determine service recipient eligibility, shall include provisions acceptable to DASA which:
 - (1) Specifies how eligibility will be determined;
 - (2) Specifies how service applicants and recipients will be informed of their right to a hearing in the case of:
 - (a) Denial or termination of service; and/or
 - (b) Failure to act upon a request for services with reasonable promptness.
 - (3) States subcontract termination shall not be grounds for a fair hearing for the service applicant or recipient if similar services are immediately available from the Indian Nation; and
 - (4) States that DASA shall retain overall responsibility for the conduct of any hearing process for the service applicant or recipient. DASA shall hear appeals, form decisions rendered after a fair hearing by the Indian Nation, and shall decide those cases.

17. Subcontractor Monitoring

- a. The Indian Nation must conduct at least one on-site visit every fiscal year for each subcontractor providing treatment and/or prevention services during the period of performance of this Agreement, monitoring compliance with their subcontractor's performance criteria. Written documentation of every on-site visit shall be forwarded to the DASA RA and a copy kept in the Indian Nation's subcontract file.
- b. The Indian Nation shall develop a subcontractor monitoring plan that includes monitoring protocols and submit the plan for approval to the DASA RA by September 1, 2007.

18. Certification and Minimum Requirements

The Indian Nation or its subcontractors providing treatment services must be:

- a. Certified by DASA to provide such services, or
- b. Certified by the Commission on Accreditation of Rehabilitation Facilities (CARF) or the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) to provide such services, or

19. Activities Conducted in Accordance With Law, Rule and Regulation

The Indian Nation and any of its subcontractors agree to abide by the terms of Chapter 70.96A, RCW, rules and regulations of the state and federal government, as applicable, which control disposition of funds granted under this Agreement.

20. Resource Allocation and Priority Patients

- a. The Indian Nation shall allocate funds in a manner that ensures the best feasible access to appropriate services for ADATSA-funded patients, PROVIDED, however, that access to services shall be first offered to persons within the following priority categories:
 - (1) Pregnant Women;
 - (2) Injecting Drug Users (IDUs);
 - (3) Parents with dependent children, including Child Protective Service referrals;
 - (4) Patients who have completed DASA-funded residential treatment and have further outpatient treatment prescribed in their treatment plan;
 - (5) Persons infected with Human Immunodeficiency Virus (HIV)/ Acquired Immune Deficiency Syndrome (AIDS).
- b. All patients eligible for publicly-supported services shall be offered services supported by this Agreement on a first-come-first-serve basis, PROVIDED, however, that persons in the priority categories listed above shall be offered services as follows to be consistent with state policy and Federal block grant requirements:
 - (1) The Indian Nation and its subcontractors shall ensure that pregnant women are provided with comprehensive assessment services within 48 hours of referral, and treatment services no later than seven days after the assessment has been completed.
 - (2) The Indian Nation and its subcontractors shall ensure that injection drug users are provided comprehensive assessment and treatment services no later than 90 days after the service has been requested.
 - (3) The Indian Nation and its subcontractors shall ensure that parents with dependent children are provided comprehensive assessment and treatment services no later than 90 days after the service has been requested.
 - (a) Dependent children are defined as children under age 18 living with the parent or through age 20 if enrolled in school and financially supported by the parent.
 - (b) Parents include persons who are attempting to regain custody of their children under DSHS supervision. Parents include postpartum women for up to one-year post delivery, regardless of birth outcome, adoption or foster care placement of children.

21. Patient Funding

Patient Financial Eligibility:

- a. The Indian Nation and all its approved subcontractors are hereby delegated the authority to determine eligibility for ADATSA patients served pursuant to this Agreement, PROVIDED, however, the eligibility is to be determined in accordance with applicable sections of RCW Chapter 70.96A.100 and 180; and Washington Administrative Code (WAC) 388-800 or their successors.

- b. The Indian Nation shall ensure that all persons applying for ADATSA services are screened for financial eligibility through a Department of Social and Health Services' (DSHS) Community Services Office (CSO).
- c. If any service defined in this Agreement is available free of charge from the Indian Nation to persons who have the ability to pay, the Indian Nation will not charge the Department for such services provided to eligible persons.

22. Special Conditions with use of Federal Funds

The Indian Nation shall comply with the following:

a. Notice of Federal Block Grant Funding Required:

When Federal block grant funds are allocated by the Indian Nation to its subcontractors for the delivery of services under this Agreement, the Indian Nation shall advise its subcontractors in writing of the Federal funds. The Indian Nation shall pass on and ensure its subcontractors comply with all conditions and requirements for use of Federal block grant funds within any subcontracts or other Agreements.

b. Continuing Education:

The Indian Nation shall ensure that continuing education is provided for employees of any entity providing treatment or prevention services.

c. Childcare and Prenatal Care:

The Indian Nation shall, directly or through arrangements with other public or nonprofit private entities, make available prenatal care and childcare to women receiving treatment services.

d. Treatment for Injecting Drug Users (IDUs):

The Indian Nation shall ensure that chemical dependency treatment programs establish admission priorities for IDUs. The Indian Nation or its subcontractors shall notify DASA in writing if they fall below 90 percent of their capacity to admit IDUs to their program.

e. Outreach for Injecting Drug Users (IDUs):

The Indian Nation shall ensure that it shall provide IDU outreach activities for all programs treating IDUs and receiving Federal block grant funds. These outreach activities shall be specifically designed to reduce transmission of HIV disease and encourage IDUs to undergo treatment.

- (1) Programs may use street outreach activities as well as more formal education and risk-reduction counseling at the treatment site.
- (2) Specific service levels and funds budgeted under this Agreement for IDU outreach services shall be designated in the SRP. If IDU outreach activities are provided from a documented source of revenue outside of this Agreement, then these service levels and funds are not designated in the SRP.
- (3) Contractors may opt to provide these services through one contractor who works in close collaboration with all treatment providers providing treatment to IDUs or alternatively require all IDU treatment providers to provide the outreach services.

23. Unallowable Use of Federal Funds

- (1) Unless an explicit and specific federal waiver is obtained, the following uses are not allowable under any agreement that includes federal funds
 - (a) Costs of hospital inpatient services;
 - (b) Cash payments to patients;
 - (c) Purchase or permanent improvement of lands or facilities, other than minor remodeling, without written approval from DASA and the Federal granting authority;
 - (d) Purchase of equipment with a cost more than \$5,000 without written approval from DASA and the Federal granting authority;
 - (e) Costs used as cost-sharing or matching for other Federal funds requiring non-federal matching funds;
 - (f) Carrying out any program of distributing sterile needles for the hypodermic injection of any illegal drug, or distributing bleach for the purpose of cleansing needles for such hypodermic injection;
 - (g) Carrying out any testing for the etiologic agent for AIDS, unless such testing is accompanied by appropriate pre-test counseling and appropriate post-test counseling;
 - (h) Services in a correctional setting, whether state, county, city, adult or juvenile;
 - (i) "Excess Salary:" The salary of an individual at a rate in excess of \$180,100 per year pursuant to Section 204 of P.L. 108-447 or its successor; and
 - (j) The salary of an individual in excess of \$180,100 per year pursuant to Section 204 of P.L. 108-447 or its successor;
 - (k) Lobbying activities to influence or attempt to influence the award of, or amendment to, any Federal contract, grant, loan, or cooperative Agreement; and
 - (l) Youth tobacco enforcement.
- (2) Uses that are unallowable under subsection (1) of this section, are allowable using state funds in a commingled budget if only state funds are used to pay such costs. To trace that only state funds are used, the following conditions shall be met:
 - (a) The Agreement includes state funds at least equal to the total amount of all items under consideration; and
 - (b) If the funds are used by a subcontractor, the subcontractor shall document clearly that only state funds are included in the subcontract; and
 - (c) If the use is a direct use of the Contractor, the use, which is unallowable, is clearly segregated from all other uses by accounting for them in separate expenditure accounts.

- (3) The use of federal funds to influence or attempt to influence the award of, or amendment to, any federal contract, grant, loan, or cooperative agreement is prohibited.
 - (a) The use of funds other than federal funds for such purposes shall require the Contractor to submit all required federal and state forms disclosing such lobbying activity.
 - (b) The Contractor must include this language in any contracts resulting from this Agreement and that all subrecipients understand and agree to these terms.

24. Charitable Choice:

- a. The Indian Nation shall ensure that Charitable Choice Requirements of 42 CFR Part 54 are followed and that Faith-Based Organizations (FBO) are provided opportunities to compete with traditional alcohol/drug abuse prevention and treatment providers for funding.
- b. If the Indian Nation contracts with FBOs, the Contractor shall require the FBO to meet the requirements of 42 CFR Part 54 as follows:
 - (1) Applicants/recipients for/of services shall be provided with a choice of prevention and treatment providers;
 - (2) The FBO shall facilitate a referral to an alternative provider within a reasonable time frame when requested by the recipient of services;
 - (3) The FBO shall report to the Contractor all referrals made to alternative providers;
 - (4) The FBO shall provide recipients with a notice of their rights;
 - (5) The FBO provides recipients with a summary of services, that includes any inherently religious activities;
 - (6) Funds received from the federal block grant must be segregated in a manner consistent with Federal regulations; and
 - (7) No funds may be expended for religious activities.
- c. If the Indian Nation contracts with FBOs, the Indian Nation shall supply in their State biennial quarterly reports the number of referrals made to alternative providers by FBOs to the DASA RA.
- d. The Indian Nation shall ensure all programs that receive SAPT Block Grant funds will address how the program will, directly or through arrangements with other entities, make available tuberculosis services as defined in the SAPT Block Grant and WAC 388-805.

25. Other Requirements

a. Drug of Choice:

The Indian Nation shall ensure that treatment services are not denied to any individual solely on the basis of that individual's drug(s) of choice.

b. Medically-Prescribed Medications:

The Indian Nation shall ensure that access to treatment services is not denied solely on the basis that a patient is taking medically-prescribed medication.

c. Sole Source Funding:

All services provided to an individual patient during any one period of time must be funded from a sole source of funds under this Agreement. The funding designated by the treatment provider in TARGET defines the sole source of funds to be used to fund the services provided to the individual patient.

d. Nicotine-Replacement Therapy:

The Indian Nation shall ensure that access to treatment services is not denied solely on the basis that a patient is using over-the-counter nicotine cessation medications or actively participating in a Nicotine Replacement Therapy regimen.

26. Records Retention and the Confidentiality of Patient Records

All fiscal and clinical records pertaining to services delivered under the terms of this Agreement shall be maintained in accordance with WAC 388-805 or its successor. The Indian Nation shall comply with all state and federal requirements regarding the confidentiality of patient records including, but not limited to, the Federal Regulations for the Confidentiality of Alcohol and Drug Patient Records, 42 CFR Part 2, or its successor.

Use of stipend funds for the Protective Payee's personal or business use is a crime. The Indian Nation shall ensure an accounting record is required and must be maintained for each patient. The Indian Nation shall ensure that ledgers are maintained for at least seven (7) years to allow for record review and audit as necessary.

STATEMENT OF WORK**1. ADATSA TREATMENT SERVICES**

In consideration of any federal or state funds awarded in this Program Agreement for Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) outpatient treatment, the Contractor shall ensure that ADATSA assessment, treatment, living stipends, protective payee, and other treatment support services are available to ADATSA eligible individuals per WAC 388-805 and the ABC's of ADATSA (see Exhibit F).

Eligibility for services shall be limited to persons assessed and referred for care as an ADATSA patient by a Department of Social and Health Services Community Services Office. Only individuals who meet ADATSA eligibility requirements, in accordance with applicable sections of 388-800 of the Washington Administrative Code, shall be served.

The Contractor shall:

- a. Evaluate each patient at intake to determine ADATSA clinical eligibility and the initial level of treatment needed.
- b. Deliver services in accordance with a treatment plan.
- c. Provide employability assessment as well as job seeking motivation and vocational assistance services.
- d. Provide or ensure ancillary transportation as required.

The Department shall pay on the basis of rates established in the Service Rates Plan

2. ADATSA LIVING STIPENDS

Living stipends, with a maximum of **\$339** per patient per month, are for the primary purpose of providing ADATSA outpatient treatment patients with basic needs for food, shelter, utilities, clothing, and personal care items (see Guidelines for Stipend Expenditures below).

The Indian Nation, as protective payee (P-P), has the authority and responsibility to make decisions about the expenditure of stipend funds:

- a. Housing and utility payments should be disbursed in the form of a check to the landlord or utility company.
- b. Remaining funds can be disbursed to the patient to be used for personal needs at the discretion of the P-P, depending upon the degree of patient recovery.
- c. As the protective payee responsible for distributing the living stipend:
 - 1) Establish separate checking account for living stipend funds.
 - 2) Establish fiscal protocols to manage and track living stipend funds.
 - 3) Ensure that the stipend is spent on behalf of the patients.
 - 4) Determine amount of living stipend funds each patient receives.
 - 5) The counselor and the patient complete a Protective Payee Agreement (see Exhibit D).

- d. The Indian Nation is responsible for managing living stipend funds:
- 1) Ensuring contracted funds are available for living stipends throughout the biennium.
 - 2) Reconciling stipend funding monthly.
 - 3) Completing the DASA Invoice Voucher forms, including amount of stipend funds that were disbursed. The ADATSA Back-Up Information form, Exhibit E, shall be completed and submitted with the Invoice Voucher.
 - 4) The use of stipend funds for the protective payee's personal or business use is a crime.

A separate accounting record/ledger is required and must be maintained for each patient that records check number, who check was written to, for what purpose, and amount of check.

NOTE: Administrative costs incurred in the performance of the protective payee duties (checking account fees, postage, etc.) may not be recovered from the patient's living stipend.

- e. The Indian Nation, as protective payee, must give to the patient all material received from the Department of Social and Health Services (medical cards, food stamps, eligibility review, all correspondence concerning continued eligibility), except that which relates directly to the protective payee's role.
- f. The Indian Nation must consider income when administering living stipends. If the patient becomes employed and earns \$1,000 gross per month or more, do not issue any living stipend until the CSO has determined the patient's financial eligibility.

NOTE: The patient retains primary responsibility for reporting changes that may affect eligibility to the CSO.

Substance Abuse Prevention and Treatment funds cannot be used for Living Stipends.

3. **GUIDELINES FOR STIPEND EXPENDITURES:**

In making a determination if an expenditure of patient living stipends is appropriate, the general guideline is: appropriate expenditures are those that will assist the patient in maintaining their sobriety and/or become employed. The ADATSA counselor is given discretion in making the final determination. The ADATSA counselor and the patient jointly complete the Protective Payee Agreement and prepare a budget for each month.

The following are examples of expenditures that are either acceptable, unacceptable or expenditures that require specific review of the patient's circumstance before making a determination.

Examples of Acceptable Expenditures: rent, food, utilities, personal incidentals work boots/clothes, haircuts, bus passes and dental work.

Examples of Unacceptable Expenditures: tobacco products, pagers, cell phones, HBO and premium channels, pet food, telephone service add-one (ex. call waiting), child support, gift purchases, gambling, court costs, fines, and electronic equipment (ex. VCR, stereo, TV).

Examples of Expenditures Requiring Counselor Judgment: (depending on individual patient circumstance): car payments, long distance, loan payments, auto repairs, bicycle, and tuition costs.

The examples are not intended to be all encompassing. The ADATSA counselor is encouraged to contact the DASA Regional Administrator if an unusual request is made that is not clearly "acceptable" or "unacceptable".

Awards and Revenues

STANDARDS FOR REIMBURSABLE COSTS

The following Standards for Reimbursable Costs represents a compilation of definitions and principles from the State of Washington Office of Financial Management's State Administrative and Accounting Manual (SAAM), the federal Office of Management and Budget's Circular A-122 Cost Principles for Non-Profit Organizations, and Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments.

DEFINITIONS

The following terms and phrases shall have the meanings indicated when used in this exhibit, except where the context clearly requires otherwise.

- (1) "Acquisition cost" shall mean the net cost of equipment, including the costs for modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment useable for the purpose for which it was acquired.
- (2) "Arm's length transaction" shall mean a transaction resulting from good faith bargaining between a buyer and a seller, where the parties have adverse positions in the marketplace.
- (3) "Contractor or subcontractor property" shall mean property used in performance of a contract which is not departmental property.
- (4) "Cost" shall mean the historical amount of money involved in a transaction which decreases an asset or increases a liability, whether recognized on a cash or accrual basis. Cost shall not include repayments of borrowing, expenditures to acquire assets, distributions to owners, and corrections to prior periods. Corrections to prior periods are included as costs in that prior period.
- (5) "Cost related or cost reimbursement" shall mean a contract or subcontract where the amount of payment being made is related to the actual costs of the subcontractor or a class of subcontractors to perform the contract, subject to ceilings, allowances, limitations and conditions adopted by the Department, but without regard to the method of payment.
- (6) "Cost related subcontractor" shall mean a subcontractor that has a cost related subcontract.
- (7) "Customary charge" shall mean the average charge for a similar service, activity or procedure for non-departmental clients or purchasers by providers whose training and experience is similar to the contractor or subcontractor and are located in the same area. The area considered in determining customary charge shall be as large as necessary to provide a reasonable measure of the market for such services, activities or procedures.
- (8) "Department" shall mean the Department of Social and Health Services.
- (9) "Departmental clients" shall mean individuals who receive or benefit from services or activities for which the contractor was reimbursed in part or entirely by the Department.
- (10) "Departmental funds" shall mean any funds paid by the Department to a contractor, including funds passed through to subcontractors without regards to the source of those funds. Departmental funds include federal funds which pass through the Department.
- (11) "Departmental property" shall mean property owned by the Department, and property for which title is vested in the Department.

- (12) "Equipment" shall mean an article of non-expendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Items not meeting this definition shall not be classified as equipment. Purchase of equipment must be approved in advance by the contract manager.
- (13) "Fee for Service" shall mean a contract or subcontract where the amount of reimbursement is a negotiated fixed rate of pay based on performance of defined unit of service such as per treatment, per hour or per session.
- (14) "Personal property" shall mean property of any kind except real property, either tangible or intangible.
- (15) "Price related " shall mean a contract or subcontract where the amount of reimbursement is related to market prices for services, and without consideration of the contractor's or subcontractor's actual or anticipated costs.
- (16) "Real property" shall mean land, land improvements, structures, and appurtenances thereto, but excluding movable machinery and equipment.
- (17) "Subcontract" shall mean any agreement for compensation between the contractor and a subcontractor, or between a subcontractor and another subcontractor, to provide property, services or construction needed in performance of the contract.
- (18) "Subcontractor" shall mean any person, partnership, corporation, association or organization, not in the employment of the contractor, who has a subcontract agreement directly with the contractor or a subsequent tier subcontract agreement with an intermediate subcontractor.
- (19) "Supplies" shall mean tangible personal property other than equipment.
- (20) "Third party" shall mean an individual or organization other than the Department, the contractor, any subcontractor or any departmental client.
- (21) "Usual charge" shall mean the charge which the contractor or subcontractor most frequently charges non-departmental clients or purchasers for a similar service, activity or procedure.
- (22) "Working capital" shall mean a fund balance accumulated and maintained for a period of more than twelve months, or remaining at the termination or expiration of a contract, which is not segregated in a reserve account and is used primarily to maintain the entity's cash flow.

REIMBURSABLE COSTS

- (1) Reimbursable costs shall include costs which are necessary for the proper and efficient performance of the contract, are reasonable and allocable to the contract, and are allowable under the provisions of this exhibit.
- (2) Reimbursable costs include costs incurred in paying subcontractors for fulfilling or assisting the contractor to fulfill the contractor's obligations to the Department.
 - (a) If the subcontract is price related, the reimbursable cost of the subcontract shall be the share of payments to the subcontractor which equals the usual charge or the customary charge, whichever is less. If the subcontractor has only departmental clients, the reimbursable cost shall be the share of payments to the subcontractor which equal the customary charge.

- (b) If the subcontract is cost related, the reimbursable cost of the subcontract shall be the share of payments to the subcontractor for subcontractor costs which are necessary for the proper and efficient performance of the contract, are reasonable and allocable to the subcontract and are allowable under the provisions of this exhibit. If the cost-related subcontractor is a for-profit entity, reimbursable costs may also include payments for ordinary profit, provided such profit is computed on a basis other than a percentage of contract costs. Costs used to determine subcontract payments may be either actual costs during the contract period or estimated costs for the contract period based on actual costs in a prior period, and may be either costs of the subcontractor or costs of a class or subclass of facilities providing similar services, activities or procedures.
- (c) If the subcontract is fee for service, the reimbursable cost of the subcontract shall be the share of the payments based on an established rate structure set by laws, regulation or policy, or may be based on cost information provided by the contractor during a competitive solicitation or contract negotiations.

REASONABLENESS

- (1) A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent and reasonable person under circumstances prevailing at the time the decision was made to incur the cost.
- (2) In determining the reasonableness of a given cost, the following shall be given careful consideration:
 - (a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the contractor or the performance of the contract.
 - (b) Whether the cost was incurred after the contractor complied with sound business practices, including arm's length bargaining.
 - (c) Whether the contractor acted with prudence in the circumstances considering its responsibilities to the organization, its members, employees, clients, the public at large, and the Department.
 - (d) Whether the contractor deviated from established practices of the contractor, which may unjustifiably increase the cost.

ALLOCABLE COSTS

- (1) A cost is allocable to the contract if all of the following conditions are met:
 - (a) It is assignable or chargeable to the contract in accordance with the relative benefit received because either:
 - (i) It was incurred specifically and solely for the performance of the contract; or
 - (ii) It benefits both contract and non-contract objectives and can be distributed between them in reasonable proportion to the benefits received; or
 - (iii) It is necessary for the overall operation of the contractor even if a direct relationship to the contract cannot be shown.
 - (b) It is not allocable to or included as a cost of any other contract, grant, agreement or program in either the present or any prior period, or used as cost-sharing or matching for another contract or grant, except when the contract specifically authorizes such duplicate allocation.
 - (c) It is accorded consistent treatment with costs of a similar nature.

- (2) **Contract-Specific Direct Costs:** If a cost is allocable to the contract pursuant to subsection (l)(a)(i) of this section, the entire amount may be charged to the contract.
- (3) **Shared Direct Costs:** If a cost is allocable to the contract pursuant to subsection (l)(a)(ii) of this section, the charge shall be considered to be in reasonable proportion to the benefits received if the charge is based on time distribution records, random moment time samples, equivalent work units, or space utilization. Other equitable methods may be used with the prior approval of the Department. Allocation of charges based on revenue distribution is not an acceptable method.
- (4) **Indirect Costs:** If a cost is allocable to the contract pursuant to subsection (l)(a)(iii) of this section, the charge shall be considered to be in proportion to benefits received if it is based on the total distribution of costs allocated pursuant to subsections (2) and (3) of this section, or if it is based on staff time directly spent in contract and non-contract activities. Other equitable methods may be used with the prior, written approval of the Department.
- (5) Contractors and cost-related subcontractors shall maintain a current cost allocation plan describing how costs are allocated.
- (6) Department approvals required in subsections (3) and (4) of this section shall be obtained by submitting a cost allocation plan to the contract manager. The cost allocation plan shall identify the period of time covered by the plan, the cost items to be allocated, the allocation method, the program areas to which costs are allocated, and the resulting allocations using budgeted costs. Copies of indirect cost allocation plans submitted for federal grant purposes may be used to apply for Department approval under subsection (4) of this section.

ALLOWABLE COSTS

A cost is allowable if:

- (1) It is authorized or not prohibited by federal, state, or local laws and regulations.
- (2) It conforms to any limitations or exclusions set forth in the contract terms and approved budget, or in applicable state or federal law or regulation.
- (3) It is approved in advance and in writing by the Department, if it is a cost requiring approval.
- (4) It is not an unallowable cost.
- (5) It is consistent with policies, regulations, directives, and procedures of the contractor.
- (6) It is accorded consistent treatment through application of generally accepted accounting principles.
- (7) It is adequately documented in source records such as payroll registers and invoices.
- (8) It is the net of all applicable credits, such as purchase discounts, rebates, and allowances.

COSTS ALLOWABLE WITH PRIOR APPROVAL

Costs described in this section are allowable only if they are approved in advance by the Department. Approval shall be deemed given if the cost is specifically identified in the contract budget or other clause or attachment to the contract. Approval of costs not specifically identified in the contract shall be made by letter or other document which sets forth the nature and amount of the approved cost and the contract for which it is allowed.

- (1) Client cash payments: Any direct cash payments to departmental clients are allowable only with prior written approval of the Department.
- (2) Capital expenditures: Cost of acquiring by purchase or capitalized lease land, buildings, or equipment and cost of repair, remodeling, renovation, or improvements which would materially increase the value or useful life of buildings are allowable only with the prior written approval of the Department.
- (3) Training and education: Cost of training which requires staff to be relieved of regular duties for more than ten working days per training event is allowable only upon prior written approval of the Department.
- (4) Purchase of equipment must be approved in advance by the contract manager. Title to equipment shall vest in the Department of Social and Health Services unless otherwise determined by the contract manager at the time of purchase.

INTEREST EXPENSE

- (1) Interest on borrowed funds is treated differently depending on the source of funds reimbursing the cost.
 - (a) Costs incurred for interest on borrowed capital or temporary use of endowment funds, however represented, are unallowable as reimbursable costs against a federal grant.
 - (b) Interest on borrowed funds is allowable against state funding if the interest expense meets the applicable requirements of this section.
- (2) Interest on borrowed funds used to purchase equipment or real property is allowable against state funding with the prior written approval of the Department.
- (3) Interest on borrowed funds used to create, replenish, or maintain working capital is allowable against state funding, if the following conditions are met:
 - (a) Working capital is depleted due to unusual cash flow, such as abnormally high costs or delays in reimbursement; or working capital has been insufficient for an extended period of time, because the contractor or subcontractor has insufficient eligible income in excess of expenses to accumulate adequate working capital.
 - (b) The borrowed funds are not used to supplant funds which otherwise would be available to finance working capital. Borrowed funds shall be considered to supplant contractor working capital if a decision to deplete working capital is evident, whether the working capital is depleted before or after the arrangements to borrow funds are made.
 - (c) The working capital in aggregate does not exceed ninety days cash flow.
 - (d) The interest expense is approved in advance and in writing by the Department.
- (4) Approval shall be deemed given if the interest cost is specifically identified in the contract budget or other clause or attachment to the contract. Approval of interest cost not specifically identified in the contract shall be made by letter or other document which sets forth the nature and amount of the approved cost and the contract under which it is allowed.

UNALLOWABLE COSTS

The following costs are unallowable, whether incurred directly by the contractor or any cost related subcontractor:

- (1) Bad debts: Any losses arising from uncollectible accounts and other claims and related costs are unallowable. In double entry accounting systems, write-offs of client fees deemed uncollectible shall be

treated as adjustments to revenue.

- (2) Chief executive: The salaries and expenses of the chief executive of a political subdivision are unallowable.
- (3) Contingencies: Contributions to a contingency reserve or any similar provision for unforeseen events.
- (4) Contributions and donations: Costs of a contractor or subcontractor in the form of contributions and donations to other organizations, including costs of donated services and property, are unallowable.
- (5) Depreciation of state financed property: Costs of depreciation of departmental property are unallowable.
- (6) Entertainment: Costs of amusements, social activities, and incidental costs relating thereto such as meals, beverages, lodging, rentals, transportation, and gratuities are unallowable, except for costs of entertainment specifically for departmental clients and necessary expenses of staff who supervise departmental clients on contractor or subcontractor sponsored activities.
- (7) Fines and penalties: Costs resulting from violations of or failure to comply with federal, state, and local laws and regulations are unallowable.
- (8) First class air accommodations: The difference in cost between first class air accommodations and less-than-first class air accommodations is unallowable, except when less-than-first class air accommodations are not reasonably available.
- (9) Fund raising: Costs of organized fund raising are unallowable.
- (10) Legal fees to bring suit against federal or state government: The cost of legal expenses for the prosecution or defense of claims by or against the federal or state government is unallowable.
- (11) Legislative expenses: The salaries and other expenses of county councilmen or councilwomen, supervisors, commissioners, etc., whether incurred for the purposes of the legislation or executive direction, are unallowable.
- (12) Lobbying expenses: The cost of attempting to influence legislation pending before any federal or state legislative body is unallowable except as provided for in RCW 42.17.190.
- (13) Losses: Costs of actual losses which could have been covered either by insurance or by contributions to a self-insurance reserve are unallowable, except for losses not covered under nominal deductible insurance coverage and minor losses not covered by insurance which occur in the ordinary course of operations, such as spoilage and breakage.
- (14) Memberships: Costs of memberships for individuals in civic, business, technical or professional organizations are unallowable. Costs of contractor or subcontractor memberships in any organization whose predominate activity is influencing legislation are unallowable.
- (15) Under-recovery of costs in other contract agreements: Any costs incurred in excess of the federal and state contribution under any other contract agreement is unallowable.

UNALLOWABLE COSTS; FEDERAL ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH SERVICES BLOCK GRANT

- (1) Unless an explicit and specific federal waiver is obtained, the following costs are unallowable under any contract which includes federal alcohol, drug abuse and mental health services block grant funds:

- (a) Costs of hospital inpatient services;
 - (b) Cash payments to departmental clients;
 - (c) Cost of purchase or permanent improvement of land or facilities, other than minor remodeling;
 - (d) Cost of purchase of major medical equipment, with an acquisition cost in excess of \$5,000;
 - (e) Costs used as cost-sharing or matching for other federal funds requiring nonfederal matching funds;
 - (f) Costs of financial assistance to any entity which is not either public or nonprofit; or
 - (g) Costs that in effect supplant or otherwise reduce the amount of state or local funds that would have been used for alcoholism, drug abuse or mental health programs in the absence of federal block grant funding. For the purposes of this section, supplantation shall be deemed to occur if the amount of state or local funds used is less than the amount expended during federal fiscal year ending September 30, 1981.
 - (h) Carry out any program of distributing sterile needles for the hypodermic injection of any illegal drug or distributing bleach for the purpose of cleansing needles for such hypodermic injection.
 - (i) Carry out any testing for the etiologic agent for acquired immune deficiency syndrome (AIDS), unless such testing is accompanied by appropriate pre-test counseling and appropriate post-test counseling.
 - (j) **EXCESS SALARY:** The salary of an individual at a rate in excess of \$180,100 per year pursuant to Section 204 of P.L. 108.447.
 - (k) Youth tobacco enforcement.
- (2) The use of federal funds to influence or attempt to influence the award of, or amendment to, any federal contract, grant, loan, or cooperative agreement is prohibited.
- (a) The use of funds other than federal funds for such purposes shall require the contractor to submit all required federal and state forms disclosing such lobbying activity.
 - (b) The contractor must include this language in any contracts resulting from this agreement and that all subrecipients understand and agree to these terms.
- (3) Costs that are unallowable under subsection (1) of this section are allowable using state funds if all of the following conditions are met:
- (a) The contract includes state funds at least equal to the total amount of all items of cost under consideration;
 - (b) If the costs are incurred by a subcontractor, the subcontract document clearly indicates only state funds are included in the subcontract; and
 - (c) The cost is otherwise allowed.

PROTECTIVE PAYEE AGREEMENT FOR _____, 2005

Patient Name: _____

This agreement shall be completed and signed prior to distribution of living stipend funds received for the benefit of eligible patients participating in ADATSA Outpatient Treatment Services. Living stipends are for the purpose of providing ADATSA outpatient treatment patients with basic needs for food, shelter, utilities, clothing, and personal items. The protective payee has the authority and responsibility to make decisions about the expenditure of stipend funds.

Maximum amount of monthly living stipend patient is eligible for (pro-rated according to start date and up to \$339.00/month): \$ _____

Distribution of living stipend will be made as follows:

	<u>Payment To:</u>	<u>Amount</u>
Rent/Shelter:	_____	\$ _____ per month
	_____ (Address)	
Utilities:	_____	\$ _____ per month
Other (specify)	_____	\$ _____ per month
	_____	\$ _____ per month
CPI	_____	\$ _____ \$40 max/month
	TOTAL	\$ _____

Distribution of funds shall be contingent upon the patient's ongoing compliance with the following program requirements e.g.:

- a. Regular attendance at all scheduled group and individual treatment sessions.
- b. Attend self-help recovery support groups as outlined in treatment plan.
- c. Continued compliance with treatment plan.

Patient Signature _____ Date _____

Counselor Signature _____ Date _____

ADATSA BACK-UP INFORMATION

AGENCY _____

MONTH _____

	PIC Code	Start Date	Term Date	# of Hours	Amount Billed	Stipend Disbursed
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

Number of Living Stipend Accounts (clients) x \$15.00 = \$ _____
Total