 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 1
	Chapter B. Contract	Date July 1, 2009

**Table of Contents**

	<u>Page</u>
<b>Overview .....</b>	<b>1</b>
<b>Developing New Contract Proposals .....</b>	<b>3</b>
Determining the Legal Entity .....	5
Legal Entity Name and Type .....	5
Corporation and Limited Liability Company .....	6
Determining Ability to Perform Under the Contract.....	7
Overview of Contract Requirements.....	8
<b>Foster Group Care Services Contract, Form 470-3052 .....</b>	<b>10</b>
Review of Written Policies and Procedures .....	10
Abuse Reporting .....	11
Client Appeals and Grievances .....	11
Confidentiality .....	11
Emergency or Disaster Planning.....	13
Indemnity and Insurance.....	14
Public Transit Certification.....	15
Subcontracting for Service Provision.....	17
<b>Contracting Process .....</b>	<b>19</b>
Contract Submission .....	19
Foster Group Care Services Contract Face Sheet, Form 470-3051 .....	20
Change in Administrative Information .....	23
Contract Proposal Approval .....	25
Criteria for Rejection .....	26
Signed Contract.....	27
Contract Management .....	28
Report of On-Site Visit, Form 470-0670 .....	29
Technical Assistance.....	29
Contract Amendment .....	30
Amendment of Foster Group Care Services Contract, Form 470-3053.....	30
Unilateral Amendments by the Department .....	32
Contract Renewal .....	34
Contract Renewal and Evaluation Guide, Form 470-3054.....	36
Requirements Considered at Time of Renewal .....	36
Contract Termination.....	37
Disposition of DHS Client Records When a Contract Terminates .....	39
Department Retains Records .....	40
Original Provider Maintains Records.....	40
Records Maintained by Merged Provider .....	42

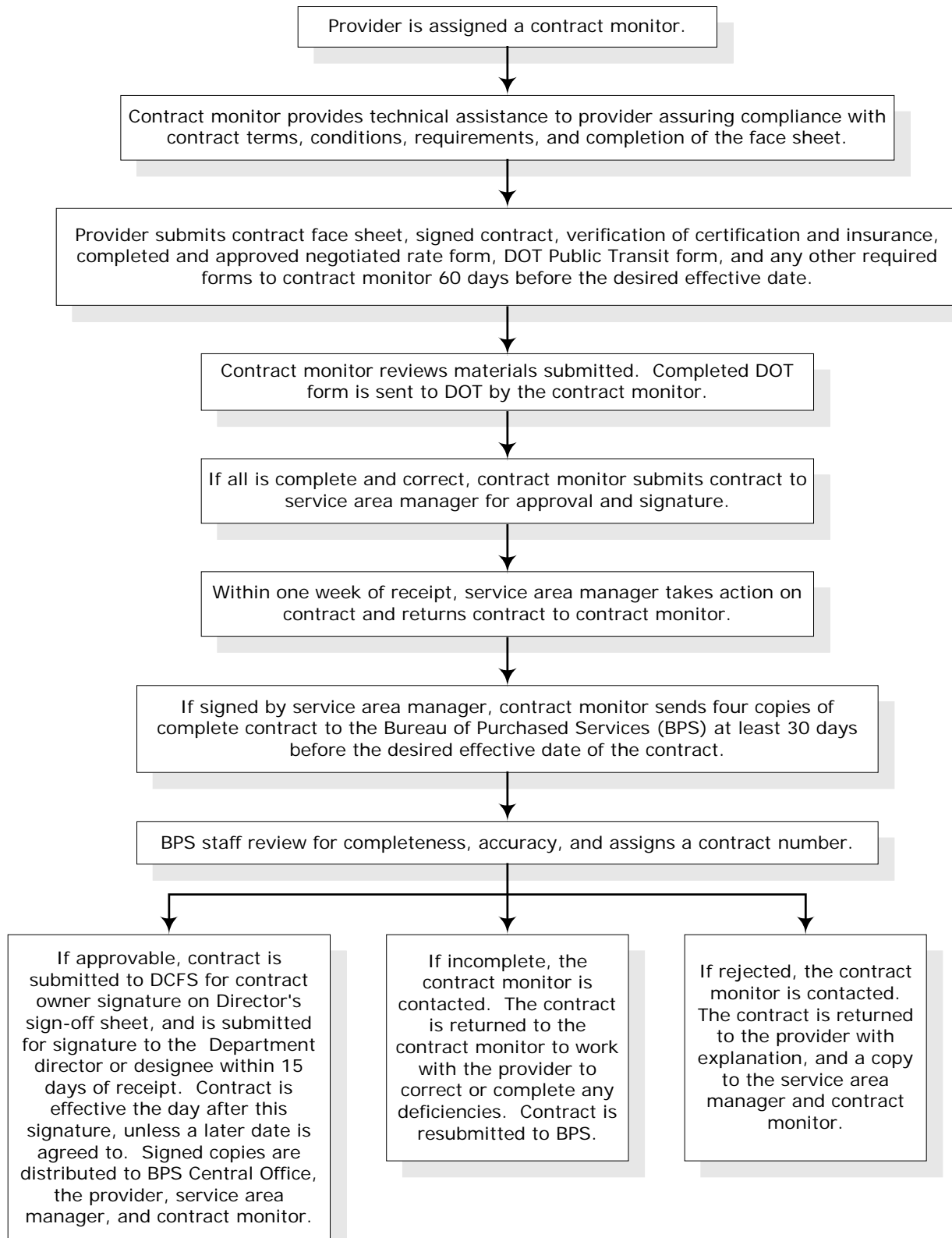


## Overview

Before the Department can purchase services from your agency as a provider of foster group care services, there must be a signed contract between your agency and the Department. The purpose of the contract is to establish the terms and conditions for both parties for the purchase of foster group care services. The contract establishes:

- ◆ Methods by which a contract shall be administered, including amendment, renewal, and termination;
- ◆ Requirements for monitoring the contract;
- ◆ Licensing requirements;
- ◆ Service descriptions and required services;
- ◆ The need for compliance with all federal, state, and local laws and regulations that apply;
- ◆ Requirements for policies regarding confidentiality, child abuse reporting, client grievance procedures, and disaster planning;
- ◆ The necessity and the right of the Department, the state or other authorized representatives to monitor and review your records;
- ◆ The need for insurance on your part;
- ◆ How the eligibility and referral of clients is determined and authorization for services is communicated;
- ◆ Determination of rates;
- ◆ How billing and payment is handled; and
- ◆ Other terms, conditions, and requirements.

Form 470-3051, *Foster Group Care Services Contract Face Sheet*, and form 470-3052, *Foster Group Care Services Contract*, serve as the legal contract that must be completed.





## **Developing New Contract Proposals**

**Legal reference:** 441 IAC 152.4(234) Initiation of Contract Proposal

During the contract development period and the term of any approved contract, the assigned contract monitor is the contract liaison between your agency and the Department. You are to contact the contract monitor on all interpretations and problems relating to the contract.


At your first meeting with your contract monitor, you will be given a general overview of what is involved in entering into the foster group care services (FGCS) contract. The following topics may be included, some of which are discussed in more detail in this chapter of the handbook:

- ◆ Contract process, conditions, and requirements. The contract monitor will review the basic steps of the contract approval process with you and give you current copies of required forms to be completed as the contract proposal is developed.
- ◆ Provider policies related to child abuse reporting, confidentiality, client appeals and grievances, and disaster planning.
- ◆ Licensing. The licensing process should already be completed. Details on the license must match related items in the contract. Direct specific licensing questions to DIA licensing staff.
- ◆ Negotiated rate process.
- ◆ DOT public transit certification, if required.
- ◆ Sites where you intend to provide foster group care services. If you have discussed this earlier with other Department staff, confirm the services with the contract monitor and review the sites where the services will be provided under the proposed contract.
- ◆ Indemnity and insurance.
- ◆ Client eligibility and referral.
- ◆ Service documentation and maintenance of DHS client records.
- ◆ Retention of fiscal records.
- ◆ Subcontracts. The contract monitor will review general subcontract requirements with you, if applicable. If you have no subcontracts now, be aware that the contract monitor must review any planned subcontract at least 30 days before implementation of any subcontract under the FGCS contract.



- ◆ Other contract terms, conditions and requirements in the foster group care service rules, contract, and contract Appendix A.
- ◆ Billing and payment procedures.
- ◆ Verification of your agency's legal name and authorization to do business in the state.
- ◆ Changes in administrative information. The contract monitor will explain requirements and the process for reporting to the Department if there are any changes during the course of an approved contract.
- ◆ Contract management. The contract monitor will discuss contract amendments, renewals, and contract termination.
- ◆ Compliance with Iowa Code Chapter 8F, "Government Accountability – Service Contracts," and independent audits.
- ◆ Contract monitoring and reviews. The contract monitor will give you an overview of the general process for contract monitoring and review, which includes scheduled visits to evaluate:
  - The adequacy of service records,
  - Compliance with the policies and procedures for foster group care services, and
  - General contract compliance.
- ◆ Addenda to the contract. The contract monitor may present, as needed, information for any provider who is a subsidiary of a larger parent corporation and the possible need to attach an addendum to the contract, or for any other addendums related to special terms, conditions or requirements.
- ◆ Appeals of Department actions.

At some point, the contract monitor will discuss with you the forms and documentation that will need to be collected for review or submission. You will be asked to sign form 470-3057, *Verification of Receipt of Handbook*, if this has not already been submitted.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 5
	Chapter B. Contract	Date July 1, 2009

## **Determining the Legal Entity**

**Legal reference:** Iowa Code Chapters 486A, 490, and 547

A contract is a legally binding agreement between two parties. In the case of an FGCS contract, the two parties are the provider and the Department. The Department needs to know the status of the legal entity with which it intends to enter into a contract and that this is the entity that:

- ◆ Is authorized to conduct business in the state,
- ◆ Can uphold the contract,
- ◆ Has the ability to perform under the contract, and
- ◆ Has the financial and programmatic control over the services being purchased.

The name on the contract shall be the legal name of the responsible party entering into the contract with the Department. The provider name on the contract shall be the legal entity ultimately responsible for the services provided under the contract, and the entity that is held accountable by the Department for all the terms, conditions, and requirements of the contract.


### **Legal Entity Name and Type**

Once you inform the contract monitor of the entity with which the Department will be contracting, confirm your legal entity name and vendor type. Be sure the name and vendor type are the same on all legal and business documents and on licenses being processed or already approved related to your agency.

For a group care services contract, the legal entity will likely be one of these vendor types:

- ◆ Corporation (profit or non-profit)
- ◆ Limited liability company (LC or LLC)

Give the contract monitor any specific documents and other information requested for further verification and to provide an understanding of the entity with which the Department may enter into a contract.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 6
	Chapter B. Contract	Date July 1, 2009

**Corporation and Limited Liability Company**

If your agency vendor type is a corporation or a limited liability company and you have an office, facility, or site in Iowa, you are required to be registered with the Iowa Secretary of State (ISOS).

- ◆ Corporations organized in Iowa are formed under Iowa Code Chapter 490.
- ◆ Limited liability companies organized in Iowa are an unincorporated association having one or more members and are organized under Iowa Code Chapter 490A.

Verify that your agency is currently registered under “active” status with the Iowa Secretary of State to do business in Iowa under the same name given. In order to be considered “active” status, your agency must file biennial documentation with the Secretary of State’s Office (ISOS).

- ◆ If your status is “active” but there is no evidence of this biennial filing entered on the ISOS Web site within the past two years, it is likely that the ISOS system has not yet been updated and the contract monitor will ask you to provide verification of this filing.
- ◆ If the Iowa Secretary of State considers your agency to have “inactive” status, your agency is no longer registered to do business in the state of Iowa and shall not have a contract with the Department until the Secretary of State’s records show an “active” status.

When you are an out-of-state agency providing foster group care services in a site in Iowa, your agency must also be registered to do business with the state agency authorized to register businesses in your state.

When you are an out-of-state agency providing foster group care services to an Iowa child not in Iowa, your agency must be registered to do business with the state agency authorized to register businesses in your state. Your agency will not need to be registered with the ISOS under this situation.



The name entered on the contract must be the legal name identified in your agency's articles of incorporation or other legal documents as registered with the Iowa Secretary of State or the state agency authorized to register business in your state.

Maintain any information supporting the legal entity, vendor type, disclosures of owners, members, or board members, and other required documentation, and provide this to your contract monitor initially and within seven working days of any subsequent changes.

If you have entered into a FGCS contract, your agency's contract will be terminated if it is later found that:

- ◆ Your agency has not maintained active status with the Secretary of State's office in Iowa, or,
- ◆ As an out-of-state provider with no office or site in Iowa, your agency has not maintained active status with the authorized government body in your state

### **Determining Ability to Perform Under the Contract**

The question as to whether you have the ability to perform under the contract arises most frequently with corporations but may also be an issue for a limited liability company. Your agency should adhere to the following guidelines as they apply.

If your vendor type is a corporation, provide to the contract monitor:

- ◆ A copy of your corporation's articles of incorporation and by-laws.
- ◆ Other information indicating whether the corporation has any legal or operating agreements or subcontracts with any other entity.

A review of the articles of incorporation, by-laws, and any other information submitted will assist the Department to determine if there is a relationship between the corporation seeking the contract and another entity. This other entity may be considered a contractor, a subcontractor, a parent corporation, a subsidiary corporation, or some other entity doing business with your corporation.



Provide to the contract monitor copies of any subcontracts or documentation of relationships with any other entities that might have an impact on your control over the ability to perform under the contract.

No further action will be taken regarding the contract proposal until it is determined with which entity the Department should be contracting. The Department may either enter into the contract with your agency as the initial prospective provider or with another entity that has been determined to have program or financial controls.

If the decision is to contract with the entity that does not have the financial or programmatic control over the services provided under the FGCS contract, an assurance of performance is needed in the form of a parent corporation guarantee addendum.

This assurance or guarantee is a statement signed by the corporation that has the financial or programmatic control over the entity with which the Department proposes to enter into the contract.

It assures or guarantees that the corporation with control will exercise that control in a manner that supports the contractor's ability to carry out the terms and conditions of the FGCS contract. Your contract monitor can explain issues related to this situation and provide you with a parent guarantee addendum form.

### **Overview of Contract Requirements**

**Legal reference:** 441 IAC 152.4(2) Contract Proposal Development


You will need to provide additional information to the contract monitor as verification of compliance with contract terms, conditions, and requirements. In developing a contract proposal, you must:

- ◆ Confirm that all **foster group care** sites are **licensed** in the state where located.

You must be sure that each site has received and maintains the appropriate license in order to contract, provide, and bill for foster group care services.



- ◆ Verify the **federal identification number** the Internal Revenue Service has assigned to your agency. Provide the contract monitor with a copy of a letter from the Internal Revenue Service indicating the number assigned to the same legal entity name that will be doing business under the contract. Make sure the name matches the legal entity name and vendor type that has been given for licensing.
- ◆ Provide to the contract monitor the information your agency is required to **disclose** under the contract. Be sure to provide all disclosures that are needed. Some of this information may be easily accessible at the same time you are collecting documentation regarding legal entity.
- ◆ Review with the contract monitor **negotiated and other rate forms**. As part of developing the new contract, you and the service area manager will negotiate a rate for the proposed services.
- ◆ Complete and sign form 470-3404, *FGCS Negotiated Rate Establishment Amendment*, after negotiating with the service area manager in the host area. If there are any problems, seek assistance from the appropriate Bureau of Purchased Services staff.
- ◆ Submit to the contract monitor copies of **your insurance coverage (ACORD Certificate of Insurance)** that identify, at a minimum, policies for general liability, property liability, professional liability, and auto liability. Your insurance must list additional insureds of the state of Iowa and the Department of Human Services for all three types of required liability coverage.
- ◆ Submit to the contract monitor a copy of any **subcontracts** you have for providing direct services to clients. If subcontractors will work out of a location not currently under your agency jurisdiction, you must be sure they are covered by insurance and abide by applicable rules and contract requirements.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b> Chapter B. Contract	Page 10
		Date July 1, 2009

## **Foster Group Care Services Contract, Form 470-3052**

To view a sample of *Foster Group Care Services Contract, Form 470-3052*, on line, click [here](#). The following sections further explain some of the contract requirements:

- ◆ [Written policies and procedures](#)
- ◆ [Indemnity and insurance](#)
- ◆ [Public transit certification](#)
- ◆ [Subcontracting for service provision](#)

### **Review of Written Policies and Procedures**

**Contract reference:** Section IV. Conditions of Participation

You are required to have written policies and procedures regarding the following:

- ◆ Child abuse reporting
- ◆ Client appeals and grievances
- ◆ Maintaining confidentiality
- ◆ Disaster planning

These may take the form of statements in personnel policies and employee handbooks. You may have similar guidelines for board members, volunteers, subcontracted staff, or others coming into contact with clients.

Provide these policies and procedures to the contract monitor when you are developing or renewing the contract. The policies and procedures you submit for the contract review shall be the same as those in your agency's personnel policies and employee handbooks. The contract monitor will review them to:

- ◆ Be sure they are up-to-date with current laws and rules.
- ◆ See how they are made available to clients and, when applicable, to staff, subcontracted staff, or volunteers.

Whenever you update these policies and procedures, date the revision, and immediately send a copy to your contract monitor.

During the term of the contract, the contract monitor may review this information during an on-site visit or ask you to send in copies of your policies, disclosure information, or other documents.



### **Abuse Reporting**

Your policy and procedures on abuse reporting should address the following:

- ◆ A time limit for informing current or new employees who are mandatory and permissive reporters of their responsibility for reporting suspected abuse of children.
- ◆ The procedures mandatory and permissive reporters are to follow to report the suspected abuse to the Department.
- ◆ A time limit for training current or new employees who are mandatory reporters to recognize possible symptoms of abuse. (Permissive reporters may be included in this training.)

### **Client Appeals and Grievances**

Your written policy and procedures on client appeals and grievances must specify:

- ◆ Your time limit for informing clients and families of their right to appeal adverse decisions you make.
- ◆ The procedures clients and families are to follow in filing a grievance or making an appeal, including time limits for your handling of the appeal or grievance.
- ◆ How you inform clients and families of the client appeal and grievance policy.


### **Confidentiality**

Your policy and procedures for protection of information about individual clients should address:

- ◆ Your time period for informing staff of clients' rights to confidentiality.
- ◆ The procedures staff, subcontractors, and volunteers are to follow in handling client information, including destruction of client records.

The guidelines should:

- ◆ Affirm the client's right to have information handled in a confidential manner.
- ◆ Address both the way staff deals with client information and handles case records.
- ◆ State the expectation that all staff conform to confidentiality policies.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b> Chapter B. Contract	Page 12
		Date July 1, 2009

Employees and clients are to have access to their own records only. When records about several clients are commingled, you must take whatever steps are necessary to protect the confidentiality of the other parties involved, unless they authorize the release.

The legal parent generally has the same rights as the child. (In other words, the parent has the same rights as the parent would have over the parent's own records.) Note that generally a stepparent is not guaranteed these same rights, unless the stepparent has adopted the child. Adoptive parents have the same rights as birth parents.

For Department cases, your confidentiality policy can never be less restrictive than the Department's policy. This is a condition of the foster group care services contract. You can be more restrictive, except that you must allow Department staff access to DHS client records for program administration and monitoring.

Department rules provide that minors can request their own records, without specifying a minimum age. However, the child does not have legal authority to release or to restrict access to records, except for substance abuse treatment and programs where the child is treated as an adult, such as a minor parent participating in the Family Investment Program.

Note that for mental health information, Iowa Code section 228.3 provides that the person signing a voluntary release has access to the released information at any time.

When confidential material is subpoenaed, you should obey the subpoena by taking the requested material to the court hearing. Your representative should testify that the information is confidential according to law and that you believe that it would be breaking the law to provide the requested information without a court order. Then abide by the judge's decision.

Department records must be retained for a minimum of five years following the date of final payment or completion of any required audit or review, whichever is later. You may be affected by professional licensing standards that require a longer retention period for client records.



Providers are subject to review for up to five years after termination of service or final payment for each Department client, whether the contract is in effect or has been terminated. If you are selected for a state or federal review or audit, failure to retain DHS client records during the required period may result in a notice of violation and recoupment of payments.

DHS client records always belong to the Department, whether they are in the possession of the Department or are in the possession of the provider agency under this contract. For further information regarding Department client records when your contract expires or terminates, refer to [Contract Termination](#) in this chapter.

### **Emergency or Disaster Planning**

Your written policy and procedures on emergency or disaster planning must specify:

- ◆ Emergency response for staff and volunteers that pertain to disasters and emergency situations, including evacuation and safe shelter plans for each site, that include, but are not limited to:
  - Intruders or intoxicated persons at a site;
  - Power failures;
  - Evacuations;
  - Tornado, flood, blizzard, or other weather-related events;
  - Fire, bomb threats, chemical spills;
  - Earthquakes;
  - Events involving nuclear materials;
  - Other natural or man-made disasters
- ◆ Training plans for staff and volunteers; and
- ◆ Practice drills for each site at least every six months



## **Indemnity and Insurance**

**Contract reference:** Conditions of Participation


Though you may have more types of insurance coverage than is required under the FGCS contract, the minimum coverage required includes four types of current liability:

- ◆ **Professional liability coverage** with:
  - Additional insureds of the state of Iowa and the Department of Human Services, and
  - Minimum limits of \$2 million each occurrence and \$2 million aggregate.
- ◆ **General liability coverage** with:
  - Additional insureds of the state of Iowa and the Department of Human Services, and
  - Minimum limits of \$2 million general aggregate, \$1 million operations aggregate, \$1 million personal injury, and \$1 million each occurrence.
- ◆ **Auto liability coverage** with:
  - Additional insureds of the state of Iowa and the Department of Human Services, with
  - Minimum limits of \$1 million combined single limit.
- ◆ **Workers Compensation and employer liability coverage** as required by Iowa law.

When you are developing a new contract proposal, you must submit current proof of the required insurance to the contract monitor.

You are to obtain a waiver of any subrogation rights that any of your insurance carriers might have against the state. The waiver of subrogation rights must be indicated on the certificates of insurance coverage supplied to the Department.

Staff in BPS will track to be sure your insurance policy is current during the term of your agency's contract. You are asked that your policy also include the Bureau of Purchased Services, Division of Fiscal Management, DHS, First Floor Hoover Building, 1305 E. Walnut Street, Des Moines, Iowa 50319-0114 as a certificate holder. This means that your insurance updates will also be sent directly to the Bureau of Purchased Services.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 15
	Chapter B. Contract	Date July 1, 2009

If your agency is self-insured, you are to continue to submit updated proof of insurance coverage to your contract monitor annually.

### **Public Transit Certification**

**Legal reference:** 761 IAC 910 (324A)

**Contract reference:** Conditions of Participation

According to Department of Transportation (DOT) rules, a “provider of public transit services” is any recipient of direct or indirect state, federal, or local funds, exclusive of the public transit systems, that provides or contracts for passenger transportation for the general public or for specific client groups.

“Public transit service” does not include public school transportation, emergency, or incidental transportation, or transportation provided by the Department of Human Services or the Department of Corrections on the grounds of specified institutions.

“Incidental transportation” is transportation provided by an agency or entity when the driver must provide supervision, educational assistance, or other support en route and at the origin or destination.

You may obtain more information about the coordination of public transit services from the Office of Public Transit, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515) 239-1875.

Your contract monitor will assist you in determining if you are supplying transportation that requires completion of the entire form 020107, *Certification Application for Coordination of Public Transit Services*. Access this form at the Iowa Department of Transportation (DOT) web site at:  
<http://www.iadotforms.dot.state.ia.us/iowadotforms/Library.aspx>.

Providers that do not provide public transit services as defined complete only Section I on page 1 of this form at the time of submitting a **new** contract proposal. DOT retains this data so staff can contact providers for purposes of surveying provider needs for public transit services or for other local transportation coordination and planning.



If you are not a provider of public transit services or do not believe you meet the definition according to DOT, you are exempt from the DOT requirements. You do not need to submit this form again, unless at some future time your agency:

- ◆ Moves your main office or facilities to a new street or mailing address, or
- ◆ Has new contact information, or
- ◆ Adds facility sites, or
- ◆ Begins to provide public transit services.

If you are not a public transit provider, but do move or have information that changes as it related to Section I on page 1 of the DOT form, it is your responsibility to inform DOT of your changes. Process these changes for DOT through your contract monitor.

If you are a public transit provider, or are not a public transit provider at the time you begin this contract but later begin to provide public transit services or receive funding for the purposes of public transit, you are required to complete the DOT form in its entirety and submit it to the contract monitor annually.

When you submit the *Certification Application for Coordination of Public Transit Services*, the contract monitor reviews it for completeness and notifies you in writing of any information deficiencies within ten working days. You have ten working days from receipt of this notice to submit the missing or incomplete information.

The contract monitor forwards the completed form to the DOT address above within five working days of receipt. According to DOT rules, if you fail to supply the required information within the required timeframe, the contract monitor is to report this to the DOT. Failure to **cooperate** in obtaining or providing the required documentation is grounds for denial or termination of the contract.



### **Subcontracting for Service Provision**

**Contract reference:** Conditions of Participation

All foster group care providers with a FGCS contract are permitted to have subcontractors deliver foster group care services to authorized clients referred to the provider.

Conditions and requirements included in this section on subcontracting do not include subcontracting for clerical, janitorial, accounting or other non-direct foster group care services.

If you have or plan to have a subcontract under the FGCS contract to provide foster group care services, you are required to submit a copy of each subcontract to your contract monitor at least one month before it is implemented.

If you are developing a subcontract agreement, you are encouraged to work with your contract monitor on the subcontract proposal or shell **before** you and the subcontractor sign the agreement and it becomes an executed contract.

When you submit the subcontract proposal or shell, it is considered an incomplete draft. You have no time limit for submission and the contract monitor is not held to the 30-day time limit for review and response to the provider.

The contract monitor will review this draft and be able to let you know if there are any suggestions for improvement or if there are sections of the subcontract draft that may need further revision or edits so that the final, executed subcontract would not be rejected.

If you have a subcontract agreement with all information filled in, all required signatures and dates, and all attachments, this is considered an **executed** subcontract agreement. You must submit a copy of this executed subcontract to your contract monitor at least one month before it is implemented.

The contract monitor must complete review, which includes a response to the provider, within the one-month period. If you have already worked with the contract monitor on a subcontract shell, the time for this required review is likely to be shorter than if you did not.



If your agency already has a subcontract agreement with more than one subcontractor, you must submit **each** executed subcontract for review. If these subcontractors have already been providing foster group care services under a previous contract, and the contract monitor has never reviewed these subcontracts, you are responsible to provide the contract monitor a copy of any such subcontracts for review.

Failure to disclose subcontractors or to comply with subcontract requirements within the FGCS contract may result in an overpayment finding, resulting in recoupment.

During the course of the contract, you must also provide a copy of any proposed changes to any subcontract to your contract monitor at least one month before implementation of the proposed changes.


The Department has the right to reject all or part of an executed subcontract that has been submitted for review. You will receive a "reject" or "no reject" letter from the contract monitor after his or her review. Your contract monitor will provide you with additional information that may be needed related to subcontracting issues.

As the provider under contract, you are responsible for the subcontractor meeting all conditions of the contract and all applicable requirements related to federal and state laws, rules, and policies. This includes any licensing requirements.

Costs of all subcontracted services are subject to the same requirements and limits set forth in the FGCS contract. You are responsible for billing for the services of the subcontractor and reimbursing the subcontractor.

Do not bill for any foster group care services provided by a subcontractor:

- ◆ Before you submit the executed subcontract to the contract monitor for review.
- ◆ Earlier than 30 days after you submitted an executed subcontract to the contract monitor for review.
- ◆ Under a subcontract or a part of a subcontract that was rejected by the Department.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 19
	Chapter B. Contract	Date July 1, 2009

## **Contracting Process**

Instructions on the contracting process are presented in the following sections:

- ◆ [Contract submission](#)
- ◆ [Contract proposal approval](#)
- ◆ [Signed contract](#)
- ◆ [Contract management](#)
- ◆ [Contract amendment](#)
- ◆ [Contract renewal](#)
- ◆ [Contract termination](#)

### **Contract Submission**

**Legal reference:** 441 IAC 152.4(3) Contract Proposal Approval


Form 470-3052, *Foster Group Care Services Contract*, is the standard contract between an agency service provider and the Iowa Department of Human Services for purchase of child welfare foster group care services and group care maintenance.

All contracts must have the most current versions of *Appendix A—Service Descriptions, Units of Service, and Rates* and *Appendix B – Contract Certifications* attached. Form 470-3051, *Foster Group Care Services Contract Face Sheet*, and any applicable appendices or addendums must accompany the contract.

A staff representative from your agency should review the provisions of the standard contract with your contract monitor. Your contract monitor will be able to assist you with how to fill out the related forms properly. Fill in all fields of the contract that should be completed. Some fields are to be left blank.

With a new or renewal contract, leave blank the effective and expiration dates of the contract on the face sheet and at the end of the contract. The Bureau of Purchased Services completes these after signature by the Department director or designee.

Use only your agency's legal entity name on the contract form and other required documents. Do not use a "doing business as" name, unless this name is also filed with the Secretary of State as a fictitious (or dba) name.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 20
	Chapter B. Contract	Date July 1, 2009

If your agency is incorporated, contract actions require authorization, pursuant to and by authority of your agency's board of directors. The date of this authorization, as reflected in the minutes of the board of directors' meeting, if applicable, must be indicated in Section VI of the *Foster Group Care Contract*.

When your agency's authorized representatives fully understand and agree to the contract provisions, sign and date all copies of the standard contract.

Submit the original and three signed copies to your contract monitor with any required attachments. You should submit these documents at least 60 calendar days in advance of the desired effective date of the contract. Submission within this time does not guarantee the desired effective date.

The contract monitor facilitates the process to obtain the other signatures required on the contract and to pass it by others in the Department who review the contract proposal. The contract monitor submits all four copies of the contract and any other required attachments and documents to the Department's service area manager, and to the Bureau of Purchased Services for final review and signatures.

### **Foster Group Care Services Contract Face Sheet, Form 470-3051**

The *Foster Group Care Services Contract Face Sheet*, form 470-3051, contains identifying and administrative information about the provider agency and indicates the services the agency wants to provide under the contract. To view a sample of this form on line, click [here](#).

Prepare this form when you:

- ◆ Submit a new contract proposal or a contract renewal with form 470-3052, *Foster Group Care Services Contract*. (See the [Contract Renewal](#) section for instructions related to renewals.)
- ◆ Submit an amendment to the contract with form 470-3053, *Amendment of the Foster Group Care Services Contract*. (See the [Contract Amendment](#) section for instructions.)
- ◆ Submit an administrative change with regard to your current contract. (See the [Change in Administrative Information](#) section for instructions.)
- ◆ Submit any additional, required appendices or addenda to the current contract.



For new, renewed, or amended contracts:

- ◆ Attach four copies of the face sheet to the top of the completed contract form,
- ◆ Attach other required documents, and
- ◆ Submit these four sets as one packet to the contract monitor.

General guidelines for completing the *Foster Group Care Contract Face Sheet*, form 470-3051, are included here. Contract monitors can provide you with complete instructions for properly filling out this form.

In reference to page 1 of the face sheet:


- ◆ **Contract Number:** New providers enter only "29-" followed by the two-digit county number of the county in which the provider's main administrative office is located.

The Bureau of Purchased Services assigns the final digits that complete the contract number during the process of approving the new contract.

A provider with an established contract may fill in the assigned contract number on the face sheet for a renewal or amendment.

- ◆ **Federal ID Number:** Enter your employer identification number in this box.
- ◆ **Contract Effective Date:** On new and renewal contracts, leave the effective date of the contract blank. The Bureau of Purchased Services completes this after signature by the Director of the Department of Human Services or designee.
- ◆ **Contract Expiration Date:** Your contract monitor determines this date on new and renewal contracts. Fill in this date only with an amendment. Terms of FGCS contracts can be up to six years. (This date may be also referred to as the "contract termination date" in some Department rule references.)
- ◆ **Provider:** Enter your agency's legal name here. The Department only uses the legally filed name of each provider.

You may add a "dba" (doing business as) name in parentheses after your agency's legal name, but only on this face sheet form, and only if the "dba" name is filed with the Secretary of State as a fictitious name. Do not use a "dba" name in contract documents or other Department forms or correspondence.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b> Chapter B. Contract	Page 22
		Date July 1, 2009

- ◆ **County:** Enter the name of the county where your primary administrative office is located, whether in Iowa or in another state.
- ◆ **Street Address:** Enter the street address where your primary administrative office is located. The contract must show the location of the agency so that staff from DHS, other departments, or federal programs; auditors; or others doing an on-site visit can find you.
- ◆ **Mailing or Payment Address:** If your agency uses a mailing address that differs from the street address, or if you have a post office box number to which you want all mailings (including payments) to be sent, add this on the second line provided.
- ◆ **Service Code:** On a new contract, obtain the service codes from your contract monitor. Leave the effective dates for the service codes blank. Staff in the Bureau of Purchased Services will enter those dates.

When you have service codes where the first three digits are the same and the fourth digit varies, attach a brief description of each service code. Examples:

Three group care codes designate different sites or cottages:  
 D161 Red Cottage, D162 Blue Cottage, and D163 Green Cottage.

For group care service to a mother and child, indicate which maintenance code is for the mother and which is for the child.


If you run out of spaces to list all the service codes, attach another face sheet form, and indicate it as "page 2 of 2."

When amending service codes:

Copy all previously approved service codes and effective dates from the *Face Sheet* of your current contract. Include any codes that you want to have deleted by the amendment.

Once the amendment is approved, the codes that are being deleted will be shown as stricken by handwritten markings. Once the code is shown as stricken, then subsequent face sheets will not show the deleted code.

Insert any new service codes being added through the amendment among the current service codes in numerical order. Leave the effective date blank for any new service codes you are requesting to add in the amendment.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 23
	Chapter B. Contract	Date July 1, 2009

Remember to send all pages listing service codes when submitting amendments or renewals of the contract. Your submittal will not be complete without all pages, even if there is no change in the second page.


- ◆ **Effective Date:** The “service code effective date” on the face sheet is the date the service code was initially approved and initial rates became effective under the contract. For providers with historical *Rehabilitative Treatment and Supportive Services Contracts* for group care services, the original group care rate structure and the original service code effective dates remain.

Note that this may not be the same as the “effective date of the rate” for that same service code, as some rate adjustments may have occurred. The Bureau of Purchased Services notifies providers separately when individual rate adjustments occur throughout the life of the contract.

You are not eligible for reimbursement of services until the following conditions are met for the period when the service is provided:

- The contract monitor has approved each service code at each site.
  - Service codes have been approved as listed on the current contract.
  - There is an approved rate for each service code listed.
  - There is an approved and executed contract.
- ◆ **Provider vendor type:** Categorize the organization of your business according to the vendor types listed.
    - Choose “Corporation” if you complete a corporate tax return. (Corporations located in Iowa must be on file as a corporation with the Iowa Secretary of State. For an agency facility located in another state, the corporation must be on file with the authorizing agency in that other state.)
    - Choose “Limited Liability Company or Professional Limited Liability Company” if you complete a tax return under this designation.
 

Your agency must be registered with the Iowa Secretary of State as a limited liability company (LC, LLC, PC, or PLC). If your facility is located in another state, your agency must be registered with the authorizing agency in that other state.
  - ◆ Complete the box indicating if your agency as a corporation is for-**profit** or **nonprofit**.
  - ◆ Give the month and day of your **fiscal year end**.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 24
	Chapter B. Contract	Date July 1, 2009

- ◆ Indicate if you currently have or plan to add any **subcontracts** in which the subcontractor provides the direct services to clients that are being purchased under this contract.

Provide a listing of any such subcontractors and attach it to the face sheet when the contract is new or being renewed. Update this information as needed.

### **Change in Administrative Information**

You are required to inform the Department promptly of any administrative changes to the contract. Submit any changes to the contract monitor within seven working days of any administrative change occurring, being documented, or authorized by the action of one or more owners, members of the board of directors, or officers of the agency.

To update administrative information, submit the face sheet form with an attached letter addressed to your contract monitor, or send an E-mail to the contract monitor. The letter or E-mail should:

- ◆ Explain what information has been changed and the implications for your agency, your clients, and the Department.
- ◆ Be on agency letterhead and be signed by the administrator or an agency authorized representative.

For administrative changes that are **minor** (for purposes of the contract) and are indicated on the face sheet, highlight the changes on the face sheet you submit. Check the box in the first section of the face sheet marked "Change in Administrative Information."

Examples of minor administrative changes for purposes of the contract may include changes to your address, administrator's name or phone number, or board membership. Some of this information will be further distributed to others in the Department, as the contract monitor deems appropriate.

If you are planning or will be affected by a **major change** (with regard to the contract), you should discuss this with your contract monitor, whenever possible, before making any changes to your agency. Examples of major administrative changes for purposes of the contract include:

- ◆ A business merger or separation,
- ◆ A provider name change,
- ◆ Changes to your federal identification number, or
- ◆ Some other change to your type of business, legal structure, or ownership.



Discussing major administrative changes with your contract monitor as much in advance as possible enables all parties to the contract to consider the impact of these changes on the current contract as well as on the services being provided to current clients. Change can be planned and managed in a cooperative manner if you include the contract monitor in the process as soon as possible.

Some major changes may be properly demonstrated on the face sheet through an administrative change. Others may necessitate terminating your current contract and entering into a new FGCS contract with a new provider number. Your contract monitor will be able to assist you in determining the proper steps to take.

The contract monitor will send the letter or E-mail with the face sheet indicating the administrative change to the Bureau of Purchased Services who will also review the information. There may be other issues that require further edits to the face sheet.

Once complete, the changes will be entered into any data systems and the documentation will be ready to put into the contract file. Your contract monitor will send you copies of the changed face sheet, which should be attached to your contract in your office files.


Administrative changes do not require the use of an amendment form.

### **Contract Proposal Approval**

**Legal reference:** 441 IAC 152.4(3) Contract Proposal Approval

Before a contract can be effective, the following persons must sign an original and three copies within the time period provided. As the time periods show, it can take several weeks before the contract is received, reviewed, and signed by each of the required signers.

- ◆ The authorized representative of the provider agency should sign the contract and submit it to the contract monitor at least 60 days before the desired effective date.
- ◆ The service area manager should receive it within four-weeks from the date of the provider agency signature and sign within one week from receipt.
- ◆ The Department director or designee signs within 15 calendar days of receipt of an accurate and complete contract.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 26
	Chapter B. Contract	Date July 1, 2009

After you have submitted the completed and signed contract proposal, renewal, or amendment to your contract monitor, the contract monitor will review the contract documents to ensure that they are accurate and complete. Contract documents that are not accurate or complete will be returned to you for correction.

If the proposed contract, renewal, or amendment appears to be accurate and complete, the contract monitor then forwards the four copies to the service area manager for review, comment, and signature. If the contract documents are signed at the area level, the four copies of the contract are sent to the Bureau of Purchased Services.

If the proposal is determined to be incomplete, it may be returned unsigned to the contract monitor, or the contract monitor will be contacted about the deficiency and will contact you to provide the necessary information.

After final review and approval, the signature of the Department director or designee commits the Department to the contract.


### **Criteria for Rejection**

**Legal reference:** 441 IAC 152.4(4) Criteria for Rejection of Contract Proposal

The following criteria may cause a proposed contract to be rejected:

- ◆ The proposed contract does not meet applicable rules, regulations, or guidelines.
- ◆ The applicant has falsified any information required as a condition of participation.
- ◆ Licenses submitted as a condition of participation in the contract process have been, revoked, suspended, or have not been completed.
- ◆ The provider fails to provide notification to the contract monitor within seven days of any changes that may significantly affect the licenses submitted as a condition of contracting.
- ◆ The Department and the provider fail to reach agreement on negotiated rates.

If your proposed contract is rejected, the Department will give you a notice and explanation in writing of the reasons for rejection within ten working days of the decision. The contract monitor is responsible for making sure that the notice is provided within the required time lines.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 27
	Chapter B. Contract	Date July 1, 2009

### **Signed Contract**

<b>Legal reference:</b>	441 IAC 152.5(234)	Contract
	441 IAC 152.5(1)	Contract Effective Date
	441 IAC 152.5(2)	Liability for Payment
	441 IAC 152.5(3)	Term of Contract

To be effective, a contract must be in writing and signed by the required parties (see [Contract Proposal Approval](#)). The signed contract becomes the basis for resolving disagreements that arise over performance. The written contract supersedes all oral agreements and negotiations between the parties to the contract.

The entire contract is contained in the following forms and documents:

- ◆ 470-3051, *Foster Group Care Services Contract Face Sheet*;
- ◆ 470-3052, *Foster Group Care Services Contract*;
- ◆ Any attached appendices or addenda; and
- ◆ Any amendments submitted using form 470-3053, *Amendment of Foster Group Care Services Contract*.


When the contract conditions have been met, the effective date of the contract is the day following signature by the Department director or designee. A later effective date may be established when all parties are in agreement regarding its establishment.

The Department will not pay the cost of services delivered to eligible clients until the Department establishes both the effective date of the contract service code and the effective date of the service rate for the foster group care program.

The term of any *Foster Group Care Services Contract* is limited to no more than six years from the effective date of the contract. A term of less than six years may be established if:

- ◆ The contract is with a new provider.
- ◆ The provider has received provisional licensure.
- ◆ Staggered terms are needed due to the workload of contract monitor staff.
- ◆ The contract monitor has identified areas of noncompliance with the contract and requested corrective action.

The Bureau of Purchased Services maintains the original contract. The remaining copies are returned to the provider, the contract monitor, and the service area manager.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 28
	Chapter B. Contract	Date July 1, 2009

### **Contract Management**

**Legal reference:** 441 IAC 152.8 (234) Contract Management

**Contract reference:** Contract Administration

During the contract period, the contract monitor is the contract liaison between you and the Department. The contract monitor monitors your performance under the contract. Involve your contract monitor in all phases of contract administration, including:

- ◆ Requests for interpretation or clarification of the contract terms.
- ◆ Problems that arise with the contract or services provided under the contract.


On-site program reviews in conjunction with the contract will occur during the term of the contract for in-state providers. Site visits may be announced or unannounced. Site visits to out-of-state providers will be made at the discretion of the Bureau of Purchased Services.

Whenever possible, the contract monitor will coordinate on-site visits with visits scheduled to fulfill Department requirements for provider reviews, licensing, or other purposes. Depending on the purpose of the visit, an appointment may be scheduled to ensure a more effective and efficient visit for all concerned.

For announced visits, the contract monitor will inform you of the purpose of the visit and when you will be expected to produce reports, documents, and records. Information reviewed on site may include, but need not be limited to:

- ◆ Accurate and timely completion of invoices.
- ◆ Documentation to support services billed.
- ◆ Charges to non-DHS clients.
- ◆ Compliance with conditions of participation, and terms, conditions and requirements of the contract.

Your contract monitor will inform you in writing of the impressions and recommendations that result from contract-related on-site visits.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 29
	Chapter B. Contract	Date July 1, 2009

### **Report of On-Site Visit, Form 470-0670**

The contract monitor may use form 470-0670, *Report of On-Site Visit*, to report performance under the contract and delineate further responsibilities of either party. To view a sample of this form on line, click [here](#).

This form may be used to report:

- ◆ The purpose of the site visit.
- ◆ The contract items monitored.
- ◆ The information reviewed and the persons contacted.
- ◆ Your agency strengths.
- ◆ Problems identified, including circumstances that inhibit problem resolution or for which technical assistance is required.


If problems are identified, the contract monitor should be specific in describing the nature of the problems, recommendations for alleviating the problems, and steps your agency plans to take or has taken to resolve the problems.

### **Technical Assistance**

**Legal reference:** 441 IAC 152.8(2) Contract Management

The contract monitor shall provide or arrange for technical assistance to improve the provider's performance, if needed. Technical assistance consists of guidance and expertise provided by contract monitors or other personnel to provider staff in various functional areas, such as, but not limited to the following:

- ◆ Development and comprehension of contracts and contract provisions.
- ◆ Implementation of an effective case-plan-driven service system.
- ◆ Development of comprehensive and operational plans for service delivery.
- ◆ Maintenance of service standards.
- ◆ Assistance with administrative procedures to control and manage service delivery.
- ◆ Accurate and timely completion of client or financial reports.
- ◆ Establishment and implementation of management systems to enable providers to fulfill reporting and operation requirements.

 Department of Human Services	Provider and Chapter	Page
	<b>Foster Group Care Services</b> Chapter B. Contract	30
		Date
		July 1, 2009

### **Contract Amendment**

**Legal reference:** 441 IAC 152.5(234) Contract

**Contract reference:** Conditions of Participation

The contract shall be amended upon agreement of both parties. EXCEPTION: The Department may unilaterally amend a contract to delete an existing service or service code if:

- ◆ A required license for that service or service code has been revoked or denied, or
- ◆ You have voluntarily informed the Department that your agency is withdrawing the service or service code, or
- ◆ Agreement on rates has not been established according to rule.

If you are **adding or deleting services** to be provided under the contract, amend the contract using form 470-3053, *Amendment of Foster Group Care Services Contract*, and form 470-3051, *Foster Group Care Services Contract Face Sheet*.


If you are proposing an amendment to the contract, at the same time the contract is being renewed, refer to the following section on [Contract Renewal](#).

### **Amendment of Foster Group Care Services Contract, Form 470-3053**

Submit *Amendment of Foster Group Care Services Contract*, form 470-3053, when amending the contract. This form should be accompanied by form 470-3051, *Foster Group Care Services Contract Face Sheet*, documenting all services to be provided under the contract. Attach a narrative explaining the amendment.

To view a sample of this form on line, click [here](#). Instructions for completing the form follow the sample. Your contract monitor will be able to assist you with any other details related to completion of the face sheet and the amendment form.

Obtain the provider authorization signatures on the original and three copies of the amendment form. Submit these four copies, each with a copy of the contract face sheet on top (indicating the proposed changes with the asterisks) and any required attachments. For amendments adding service codes, submit these documents to the contract monitor at least 60 days before the desired effective date.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 31
	Chapter B. Contract	Date July 1, 2009

After signature by all four required parties on the four copies of the contract amendment, you will receive a copy of the signed amendment for your files. The original copy is maintained in the Bureau of Purchased Services. The contract monitor and the service area manager maintain the other copies.

Use an asterisk to denote the information on the face sheet that is the subject of the amendment, as follows:

- ◆ If you are **adding** any service, indicate changes on the current contract face sheet by adding the service codes in numerical order among the service codes that are already in the contract.

Put an asterisk next to the new service codes. Leave the effective date of the new service codes blank. At the bottom of the face sheet, show that the asterisk indicates “\*Add.”

Amendments to add a new service or service code at one or more provider sites must first meet the requirements for any related licensing and the current rate setting requirements as established by rule. Explain on a separate attachment:


- The nature of the change,
- How it will affect other services,
- At what site or sites this service or service code will be added, and
- If licensing requirements have been met.

- ◆ If you are **deleting** a service, show the service code exactly as it is on the current contract face sheet. Indicate what is being deleted by putting an asterisk next to the codes. At the bottom of page 1 of the face sheet show that the asterisk indicates \*Delete.

Explain on a separate attachment why you are deleting these codes and how this will affect your other services. If you have not already done so, you should also contact licensure staff if deletion of these services or service codes involves a change to your license.

- ◆ If you are **adding and deleting** service codes in the same amendment, indicate this on the face sheet by using one asterisk next to the service codes for one type of action and two asterisks next to the service codes for the other. Explain your system by a note at the bottom of the face sheet.

EXAMPLE: You could indicate the service codes being added with one asterisk and the service codes to be deleted with two asterisks, with notes indicating: “\*Add” and “\*\*Delete” (or vice versa).

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 32
	Chapter B. Contract	Date July 1, 2009

- ◆ If you are **extending** a current contract that has a term of less than six years, indicate this by putting an asterisk next to the expiration date on the contract face sheet. (The face sheet should otherwise be submitted with no other changes, unless you are also proposing changes in addition to the extension.)

Explain on a separate attachment:

- Why you are requesting the extension of the contract term and
- What new expiration date is being requested.

The request to extend should not exceed the six-year contract term limit. If the extension is approved, BPS staff will indicate the extended date of the contract on all copies of the face sheet and contract amendment form.

When submitting a proposed amendment, **leave blank**:

- ◆ The service code effective dates on page 1 of the face sheet when proposing to **add** one or more service codes, and
- ◆ The contract amendment effective date at the bottom of the amendment form 470-3053 (after the signature lines).

Bureau of Purchased Services staff completes these dates.

### **Unilateral Amendments by the Department**

The Department may unilaterally amend a contract to **delete** an existing service code being provided upon:

- ◆ Notice by Department staff of imminent danger to clients.
- ◆ Revocation or denial of any required license, or failure by you, the provider, to maintain the required license.
- ◆ Voluntary withdrawal by you, the provider, of any required license that relates to a service code.
- ◆ Failure to reach agreement of a negotiated rate in accordance with established rule and procedure.

Unilateral amendments are not used for situations in which a service code is added to a contract.



Unilateral amendments by the Department to delete any existing service code do **not** require the use of an amendment form. When the Department makes a unilateral amendment to your contract, the Department will send a notice to you, indicating:

- ◆ The service code being deleted,
- ◆ The reason for the deletion, and
- ◆ The termination date of the service code.

The termination date will correlate to the date the required license ended, official notice was sent to you relating to imminent danger to clients, or 30 days after notice of failure to reach agreement on the negotiated rate.

You will not be reimbursed for any services associated with the deleted service code that are provided after the date on which the service code was deleted from the contract.


A licensing action may not always affect the contract.

For example, if a provider has three sites with community-level group care services that all show on the contract face sheet a service code of D161/D191, and one of the three licensed sites will no longer be licensed, then the contract will not be amended since the other two sites will remain. Notation of this information will only be added to the file.

However, if a provider has different service codes for each of the three community-level group care sites (D161/D191, D162/D192, and D163/D193) and one of those sites is no longer licensed, the service code that represents that site would be shown as deleted on the face sheet through a unilateral amendment.

When **imminent danger** is reason for the unilateral amendment, the termination date will be the date the notice is sent. A unilateral amendment would apply only if one site (of multiple service codes) was being deleted.

When **revocation, denial, or failure to maintain licensure** is the reason for the unilateral amendment, the termination date of the corresponding service code will be the date upon which the license ended for a site, if that site is one of multiple service codes that are being deleted.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 34
	Chapter B. Contract	Date July 1, 2009

**Voluntary withdrawal** from licensure will be the reason for the amendment if one of the following occurs and it affects information on the contract face sheet:

- ◆ You have previously informed the contract monitor in writing of the voluntary withdrawal of the license related to a level of group care or a site, and the date upon which the service is to be deleted. Copies of your letter will be entered into all the contract files.
- ◆ Licensing staff informs BPS that action to delete a level of group care has already been taken.
- ◆ The level or group care or the site has not yet been deleted from licensing, but you have informed the contract monitor of your intent to withdraw a level of group care or site and that information is sent to BPS.

When **failure to agree on a negotiated rate** is the reason for the unilateral amendment, the Department will give you 30 days' notice of the intention to delete the service code from the contract.

In all the situations described above, if the unilateral amendment relates to the deletion of a service code on the contract face sheet, the contract face sheet in the BPS files will be amended accordingly. Copies of the face sheet showing these changes will be sent to the contract monitor, and one will be sent to you to attach to your agency's copy of the contract.

### **Contract Renewal**

**Legal reference:** 441 IAC 152.5(234) Contract

**Contract reference:** Conditions of Participation

For your contract to be renewed, it is your responsibility to give notice of your intent to your contract monitor. This must be done at least 60 days before the expiration date of your current contract. If you fail to give notice to your contract monitor or to submit the required documentation timely, it may result in your current contract expiring.

Each renewal of a *Foster Group Care Services Contract*, form 470-3052, requires documentation of a provider evaluation process. The results of the evaluation are taken into account in the Department's decision to renew a contract.



Each contract renewal requires an on-site visit by the contract monitor. Findings of the on-site review at the time of renewal shall be documented on form 470-3054, *Contract Renewal and Evaluation Guide*, at least 75 days before your current contract expires. The contract monitor will share the findings of the review with you before you sign the form for renewal of the contract.

The decision by the Department whether to renew or not shall be based on this review and any other on-site visits, billing reviews, or audits conducted during the term of the current contract, other monitoring and review, input from other sources, and on how well the terms and requirements of the contract have been met.

If there are findings of noncompliance with terms and conditions of the contract, you may be given the opportunity to develop a plan of corrective action. This plan and progress toward implementation of the plan will be taken into consideration in developing the recommendation concerning renewal of the contract.


If the Department agrees to renew, the contract monitor will collect from you at least 60 days before the renewal date all documents and contract-related forms that you are to provide or complete, including the provider representative's signature on the contract signature page. The contract monitor will review these forms for completeness and accuracy and will get back with you on any remaining issues as soon as possible.

The contract monitor will submit the *Contract Renewal and Evaluation Guide* with the contract renewal, complete any additional required forms or reports associated with the renewal, and obtain the signatures of the service area manager on the contract.

At least 30 days before the renewal date, the contract monitor is to submit an original and three copies of the contract renewal to the Bureau of Purchased Services. The Bureau staff will review the renewal within 15 days of receipt. If there are no issues prohibiting approval of the renewal, the contract renewal will be signed by the Department director or designee.

Original copies of the contract renewal will be retained in the Bureau of Purchased Services and remaining signed copies of the contract will be returned to you, the contract monitor, and the service area manager.

The following sections describe the *Contract Renewal and Evaluation Guide* and the requirements the contract monitor will be considering during the renewal evaluation.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 36
	Chapter B. Contract	Date July 1, 2009

### **Contract Renewal and Evaluation Guide, Form 470-3054**

If both you and the Department desire to renew your contract, then the contract monitor prepares form 470-3054, *Contract Renewal Evaluation Guide*, as part of the renewal process.

To view a sample of this form on line, click [here](#).

All the items asked for on the form require a response. Sources of information for completion of the form include, but need not be limited to, findings of other on-site visits, referral workers, licensing staff, and the service area manager.

### **Requirements Considered at Time of Renewal**

In preparation for renewing a contract, the contract monitor:


- ◆ Reviews with you all the administrative information found on pages 1 and 2 of the contract face sheet to be sure there have been:
  - No recent minor changes that have not yet been noted, and
  - No recent major changes that necessitate contract-related revisions or the need for this contract to expire or be terminated and a new contract entered into.

Any service codes being deleted or added should be noted at this time and indicated on the face sheet accordingly. (This requires not only a renewal action, but an amendment at the time of the renewal as well.)

NOTE: Under the contract, you are responsible to notify the Department contract monitor **promptly** of any changes you have made or are aware of that might affect the contract, no later than seven working days after such a change occurs.

You should inform the contract monitor before any anticipated changes whenever possible. Such disclosure should not be left until the time of the contract renewal.

- ◆ Checks with the licensing staff regarding your agency's licensing status for each facility site.
- ◆ Checks to be sure all staff at all sites continues to meet requirements as well as any new staff added who provide services.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 37
	Chapter B. Contract	Date July 1, 2009

- ◆ Reviews of any program monitoring and quality assurance reports and any utilization and record reviews performed on your agency during the current contract term, using the *Contract Renewal and Evaluation Guide*.
- ◆ Notes any findings of noncompliance with any terms and conditions of the contract. If noncompliance is found, the contract monitor may attach an explanation of:
  - The term or condition with which you are out of-compliance.
  - How you are out of compliance.
  - Recommendations for corrective action, including time frames.
  - Receives from you copies of all **current** self-insurance documents as required under the contract. (See [Indemnity and Insurance](#).)

### **Contract Termination**

**Legal reference:** 441 IAC 152.5(234) Contract


**Contract reference:** Conditions of Participation

You or the Department may terminate the contract without cause upon 30 days notice. For example, the Department may wish to terminate the contract if no services have been provided under the contract for 12 months. In this case, a 30 days' notice would be provided. Notice of termination shall be provided by certified mail.

The Department may terminate the contract upon ten days notice for cause. EXCEPTION: In the event of revocation of licensure or imminent danger to clients, the contract will be terminated immediately upon notice.

Causes for termination during the period of the contract are:

- ◆ Determination by the Department that insufficient funds are available to continue the services involved.
- ◆ Failure of the provider to complete or submit required reports.
- ◆ Failure of the provider to make financial and statistical records available for review by the Department or authorized party.
- ◆ Failure of either party to abide by the provisions of the contract.
- ◆ Failure to reach agreement on negotiated rates within 130 days of initiating rate negotiations in accordance with rule 441 IAC 152.3(234).

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 38
	Chapter B. Contract	Date July 1, 2009

Generally, termination occurs when the parties fail to satisfy an obligation of the contract. In most instances, if termination is for noncompliance, this step is to be preceded by attempts to correct the area of noncompliance. Documentation of the Department's and the provider's attempts to correct the problem shall be a part of the termination notice.

Within 20 calendar days of the date of termination, if the Department requests, submit to the Department a financial statement detailing all costs up to the effective date of termination. Your sole and complete remedy shall be payment for services completed before the effective date of termination.


When you are terminating the contract, notify the Department in writing as much in advance of the termination date as possible. The notification should be on your agency letterhead and be signed by the authorized provider representative. It should indicate:

- ◆ The date it is written,
- ◆ The reason for the notice to terminate,
- ◆ The date upon which the contract is to terminate (unless it is unworkable, the Department asks that the termination date be on the last day of a month),
- ◆ The status of the transition by the Department of any remaining client cases, and
- ◆ The Department's decision regarding the disposition of DHS client records.

Submit this notification to the contract monitor, who in turn will submit the original copy to the Bureau of Purchased Services for generating the termination process.

If you are currently serving clients referred from the Department when you decide to terminate your contract, the contract monitor will work with your agency staff and the referral workers to assist with the transition of any of those clients to other services. Please consider this crucial issue when deciding the timing of notice to the Department of your agency's intention to terminate the contract.

In addition, consideration must be given to the disposition of DHS client records, as explained below.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 39
	Chapter B. Contract	Date July 1, 2009

### **Disposition of DHS Client Records When a Contract Terminates**

When a provider's contract is terminated, the Department determines whether:


- ◆ The Department should retain the DHS client records, or
- ◆ The provider should retain the DHS client records.

You should communicate answers to these questions to the contract monitor before the contract is terminated:

- ◆ Is your agency "closing doors" and dissolving as a legal and viable entity, or are you continuing to operate as the same legal entity but just not wanting to maintain the FGCS contract with the Department?
- ◆ Do you have an ongoing means to properly store the DHS client records?
- ◆ If you are an Iowa provider or a provider in a state contiguous to Iowa, are you planning to leave Iowa or the borders of the state of Iowa?
- ◆ Are you merging with another agency in a formal or informal manner?

The contract monitor will discuss these issues with you, and consider information from other sources, contract compliance issues, and reports from other Department staff involved with your performance as a provider when determining whether your agency or the Department should retain the DHS client records.

Pursuant to the discretion of the Department, the Department shall be entitled to possession of all records, in whatever format they have been kept by you. If the records are electronic, they must be in a format that is accessible by the Department using existing Department software.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 40
	Chapter B. Contract	Date July 1, 2009

### **Department Retains Records**

If the Department decides to retain the DHS client records, a plan of obtaining the records will be made with you. Items to consider are:

- ◆ Number of files: Tell the contract monitor how many DHS client files you have. Records should be put in boxes. Discuss details related to this with your contract monitor.
- ◆ The date when each case closed, clearly recorded on or in the file: Make a master list. In addition, as you put files in boxes, indicate on separate box lists (which will be added to each box) the names of files put in each individual box.
- ◆ Date and place for transfer of the files to DHS: The contract monitor will determine a date and place to which you are to deliver the client records to the contract monitor, or the date on which the contract monitor will pick up the files.


This plan may be communicated in writing to you and any other Department staff, as needed. It is important that the confidentiality of the records be maintained at all times during the drop-off or pick-up. The records shall never be left unattended or placed in the hands of unauthorized persons.

At the time of drop-off, the designated Department staff person will check to ensure that all client records, according to your master list or other documentation, have been delivered to the Department. Any discrepancies will be communicated at that time, with a plan of resolution agreed upon, as needed.

The Department will retain the files for the required five-year period.

### **Original Provider Maintains Records**

If the Department determines that you are to retain the DHS client records, tell the contract monitor in writing the location where you plan to store the records. This information will be put in the Department's closing contract file.

 Department of Human Services	Provider and Chapter <b>Foster Group Care Services</b>	Page 41
	Chapter B. Contract	Date July 1, 2009

If you ever move the DHS client records to another location during the retention period, you are to notify the contract monitor or the Department contact person immediately. This updated information will be added to your contract file maintained by the Department.

If this new location means you are moving out of state to a location not reasonably accessible by federal or state personnel authorized to audit or review DHS client records, then you should make arrangements before your move to transfer the records to the Department to maintain them for the remainder of the five-year period.

During the retention period, you are not to transfer to or share access of any of these DHS client records with any other entity except authorized representatives of the Department or other governmental personnel approved by the Department.

If an audit or review of records is authorized during the retention period, the contract monitor or staff in the Bureau of Purchased Services will inform you that certain persons are permitted access for the purposes related to the review or audit. The time of retention may be extended if a review or audit is not completed at the time of the initial destruction date.

If any person who is not authorized by the Department to access the stored records seeks to do so, you should initially deny this request and immediately inform the contract monitor or staff in the Bureau of Purchased Services.

At a minimum, records must be retained for a period of five years after either final payment or services to the client terminate, whichever is later. In the event of an ongoing review of records, the retention period shall be extended until the review and any subsequent appeal period is exhausted.

Record destruction can take place when the retention period required by the Department (or a longer period by any professional standards that apply to your agency) is ended, but only if there is no ongoing authorized review at that time. Documents should be shredded so that confidentiality of all DHS client records is safeguarded.



**Records Maintained by Merged Provider**

If you are legally merging with another provider already under contract and the other provider indicates it will maintain retention of the DHS client records formerly maintained by you, that provider must do so according to the requirements under the contract.

Provide the contract monitor details of the plans for the legal merger. Only the Department can authorize the disposition of the DHS client records. You will be informed if the Department determines if the DHS client records can or cannot be transferred to the other provider.

If the Department permits the transfer of the DHS client records, inform the contract monitor of the number of transferring client records, the anticipated date of the transfer of records, the place where the files will be delivered, and the provider staff involved.

The contract monitor will contact the authorized representative of the provider that will be receiving these client records to be sure the transfer and maintenance of the records will be handled appropriately, as well as to verify other details related to the merger.