

**HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
KINGMAN REGIONAL MEDICAL CENTER
3269 Stockton Hill Road Kingman, Arizona 86409
AGENDA August 1, 2024**

The Board of Hospital District Number One of Mohave County will meet in Special Session on Thursday August 1, 2024 at 4:00 p.m. The meeting will be held at the Kingman Regional Medical Center in the H. I. Johnson Board Room, 3269 Stockton Hill Road, Kingman, Arizona. The Board may vote to go into Executive Session pursuant to A.R.S. § 38- 431.03(A)(3) for legal advice on matters as set forth in the agenda and A.R.S. § 38- 431.03(A)(4). Board Members or other participants may attend by telephonic conference. The following topics and any variables thereto will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

I. CALL TO ORDER – Chair Penny Holden

II. ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

III. FINANCIAL MATTERS AND REPORT – Chair Penny Holden

- A. **Discussion and Possible Action to Approve** amount over \$1,000,000 in order to continue the District Board/KRMC joint partnership for the AHCCCS 2024 GME Maximum. The IGA GME 2024 Allocation Amounts have been released. The actual Hospital District Board partnership cost is \$1,350,648.65. **Pages 1-12**

PLEASE NOTE: As noted in the July 9, 2024 Regular Session Board Meeting Agenda, \$1,000,000 was approved for the IGA GME joint partnership for Fiscal Year ending June 30, 2025. State/federal information and costs were released July 17, 2024. Since the District Board's partnership cost exceeds the already budgeted amount of \$1,000,000, Board approval is warranted. Funding partners must send 2024 GME IGAs to AHCCCS by August 31, 2024 in order to receive allocated 2024 GME funds.

IV. CALL TO THE PUBLIC

Consideration and discussion of comments from the public. Those wishing to address the District Board need not request permission in advance. The District Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The District Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Law.

Individuals wishing to speak during Call to the Public will have 3 minutes to address the District Board. Prior to speaking, please state your name, city and state.

V. ADJOURNMENT

Notice: Persons with a disability may request a reasonable accommodation by contacting the Hospital District at 928.757.0602.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the attached notice will be duly sent to the Mohave County Board of Supervisors on July 31, 2024, for posting on their public information board. Also, notice will be posted at 3269 Stockton Hill Road (Main Entrance to KRMC) in Kingman, Arizona on July 31, 2024, and on the District's Website: azkrmc.com/about-krmc/hospital-district-number-one-mohave-county in accordance with the statement filed by the Hospital District Number One of Mohave County.

Submitted this date, July 31, 2024.

Penny Holden
Chairman

Catherine Furtado
Recording Secretary/Custodian of Records

Katie Hobbs, Governor
Carmen Heredia, Cabinet Executive Officer
 And Executive Deputy Director

DATE: July 17, 2024
TO: GME Hospitals
FROM: Ben Kauffman, Reimbursement Administrator
SUBJECT: IGA GME 2024 Allocation Amounts

AHCCCS has completed the Graduate Medical Education (GME) distribution calculations for 2024. Hospitals must have funding partners send 2024 GME IGAs to AHCCCS by August 31, 2024 in order to receive allocated 2024 GME funds.

GME Hospitals	GME/IME Allowable Amounts			Fund Source	
	Direct GME	Indirect ME	Total	Federal Match	Local Match Need
Abrazo Arrowhead	\$544,561.50	\$8,545,532.51	\$9,090,094.01	\$6,191,035.78	\$2,899,058.23
Abrazo Central	\$340,776.36	\$2,099,978.63	\$2,440,754.99	\$1,662,337.20	\$778,417.79
Abrazo West	\$380,910.90	\$6,544,056.73	\$6,924,967.63	\$4,716,422.33	\$2,208,545.30
Banner Baywood	\$0.00	\$6,743.67	\$6,743.67	\$4,592.95	\$2,150.72
Banner Behavioral Health	\$64,895.93	\$1,673,567.85	\$1,738,463.78	\$1,184,024.22	\$554,439.56
Banner Boswell	\$35,398.05	\$520,611.27	\$556,009.32	\$378,684.05	\$177,325.27
Banner Casa Grande	\$5,643.12	\$31,020.88	\$36,664.00	\$24,970.93	\$11,693.07
Banner Del Webb	\$28,215.62	\$121,386.05	\$149,601.67	\$101,889.96	\$47,711.71
Banner Desert MC	\$341,409.03	\$1,635,108.46	\$1,976,517.49	\$1,346,156.65	\$630,360.84
Banner Estrella MC	\$69,128.28	\$303,404.35	\$372,532.63	\$253,722.66	\$118,809.97
Banner Gateway MC	\$64,895.93	\$557,714.48	\$622,610.41	\$424,044.38	\$198,566.03
Banner Heart Hospital	\$25,394.06	\$269,746.77	\$295,140.83	\$201,013.04	\$94,127.79
Banner Payson	\$4,232.34	\$1,673,567.85	\$1,677,800.19	\$1,142,707.76	\$535,092.43
Banner Thunderbird MC	\$260,994.51	\$740,101.99	\$1,001,096.50	\$681,821.80	\$319,274.70
Banner UMC Phoenix	\$13,965,928.21	\$46,919,355.04	\$60,885,283.25	\$41,467,444.29	\$19,417,838.96
Banner UMC South	\$4,647,112.95	\$13,825,870.88	\$18,472,983.83	\$12,581,487.46	\$5,891,496.37
Banner UMC Tucson	\$22,456,922.85	\$66,921,477.06	\$89,378,399.91	\$60,873,393.72	\$28,505,006.19
Canyon Vista MC	\$859,165.69	\$2,739,278.49	\$3,598,444.18	\$2,450,810.37	\$1,147,633.81
Dignity Chandler Regional	\$0.00	\$2,461,439.31	\$2,461,439.31	\$1,676,424.78	\$785,014.53
HonorHealth Deer Valley	\$145,310.45	\$913,092.83	\$1,058,403.28	\$720,852.01	\$337,551.27
HonorHealth Rehab	\$21,161.72	\$1,673,567.85	\$1,694,729.57	\$1,154,237.94	\$540,491.63
John C Lincoln MC	\$378,089.34	\$2,266,579.01	\$2,644,668.35	\$1,801,217.50	\$843,450.85
Kingman Regional MC	\$1,011,530.05	\$3,223,473.94	\$4,235,003.99	\$2,884,355.34	\$1,350,648.65
Mayo Clinic Hospital	\$2,526,708.95	\$27,640,951.89	\$30,167,660.84	\$20,546,439.61	\$9,621,221.23
Mercy Gilbert	\$0.00	\$1,281,819.35	\$1,281,819.35	\$873,015.11	\$408,804.24
Mountain Vista MC	\$1,563,145.46	\$5,976,239.77	\$7,539,385.23	\$5,134,886.80	\$2,404,498.43
Phoenix Children's	\$20,241,089.85	\$42,306,837.58	\$62,547,927.43	\$42,599,829.67	\$19,948,097.76
Scottsdale HC -- Osborn	\$719,450.50	\$4,453,519.23	\$5,172,969.73	\$3,523,180.36	\$1,649,789.37
Scottsdale HC -- Shea	\$403,504.70	\$2,887,639.21	\$3,291,143.91	\$2,241,515.84	\$1,049,628.07
Scottsdale HC -- Thompson	\$373,856.99	\$4,735,404.61	\$5,109,261.60	\$3,479,790.34	\$1,629,471.26
St. Joseph's -- Phoenix	\$13,148,711.93	\$34,266,190.16	\$47,414,902.09	\$32,293,104.44	\$15,121,797.65
Tucson MC	\$3,981,672.80	\$9,924,934.04	\$13,906,606.84	\$9,471,442.25	\$4,435,164.59
Valleywise Health MC	\$28,212,579.08	\$49,909,198.82	\$78,121,777.90	\$53,206,789.88	\$24,914,988.02
Verde Valley MC	\$592,528.06	\$1,888,227.42	\$2,480,755.48	\$1,689,580.54	\$791,174.94
Yuma Regional MC	\$1,072,193.64	\$2,562,594.35	\$3,634,787.99	\$2,475,563.23	\$1,159,224.76

*FMAP- 68.11% from 7/1/2023 through 6/30/2024

If you have any questions about this notice, or any other matter related to the AHCCCS GME Program, please contact me at (602) 417-4353 or by email at Benjamin.Kauffman@azahcccs.gov and GME@azahcccs.gov.



INTERGOVERNMENTAL AGREEMENT
(Agreement # _____)

This Intergovernmental Agreement ("Agreement") is entered into by and between the **Arizona Health Care Cost Containment System ("AHCCCS")**, the agency of the State of Arizona authorized to administer the Medicaid and behavioral health systems in the State of Arizona, and the _____ (**the "Public Entity"**), a political subdivision, tribal government, or public university.

Project Title: Supplemental Payments for Graduate Medical Education Programs

WHEREAS, A.R.S. § 36-2903.01(G)(9)(f), permits the Public Entity, as a political subdivision of the State of Arizona, a tribal government, or university under the jurisdiction of the Arizona Board of Regents, to contribute public funds to be used as the Non-Federal Share of supplemental Medicaid payments to hospitals with Graduate Medical Education ("GME") programs, contingent upon the approval by AHCCCS and the Centers for Medicare and Medicaid Services; and,

WHEREAS, the Public Entity, is authorized to insert citation(s) to the legal authority for the political subdivision to engage in activities - such as the provision of health care services and/or funding for health care services - that it may exercise jointly with AHCCCS and

WHEREAS, AHCCCS is authorized to make supplemental payments for GME under A.R.S. § 36-2903.01(G)(9); and

WHEREAS, AHCCCS and the Public Entity are authorized by A.R.S. § 11-952, as well as A.R.S. § 36-2903.01(G)(9), to enter into Intergovernmental Agreements to jointly exercise powers common to the parties or for cooperative action pertaining to reimbursement or advancements of public funds for services performed; and

WHEREAS the Public Entity and AHCCCS wish to enter into this Agreement in order to permit the Public Entity to provide the Non-Federal Share of GME payments.

NOW, THEREFORE, the Public Entity and AHCCCS (collectively, the "Parties"), pursuant to the above and in consideration of the matters hereinafter set forth, do mutually agree as follows:

_____ [Public Entity]

AHCCCS

Signature date

Signature date

Printed Name

Meggan LaPorte, CPPO, MSW
Printed Name

Title

Chief Procurement Officer
Title

This Agreement has been reviewed by the undersigned attorney who has determined that this Agreement is in the appropriate form and is within the power and authority of the Public Entity.

Signature date

Printed Name

Title

In accordance with A.R.S. § 11-952, this Agreement has been reviewed by the undersigned General Counsel of the agency, who has determined that the Agreement is in the proper form and is within the powers granted under the laws of the State of Arizona to AHCCCS.

Signature date

Nicole Fries
Printed Name

AHCCCS Deputy General Counsel
Title

TERMS AND CONDITIONS

1. **Definitions.** Unless otherwise defined in this Agreement, all terms have the same meaning as set forth in Title 36 of the Arizona Revised Statutes or Title 9, Chapter 22, of the Arizona Administrative Code (A.A.C.) as appropriate.
 - 1.1. Agreement: This document, together with any and all attachments, appendices, exhibits, schedules, and future amendments as agreed to by the Parties. The term “Agreement” is synonymous with “Intergovernmental Agreement.”
 - 1.2. AHCCCS: Arizona Health Care Cost Containment System, an agency of the State, which administers the Medicaid program under Title XIX of the Social Security Act and the Children’s Health Insurance Program (CHIP) under Title XXI of the Social Security Act in Arizona.
 - 1.3. C.F.R.: Code of Federal Regulations – the official compilation of federal rules and requirements.
 - 1.4. Public Entity: [insert name of political subdivision of the State of Arizona, tribal government, or university under the jurisdiction of the Arizona Board of Regents].
 - 1.5. CMS: The Centers for Medicare and Medicaid Services, a federal agency within the U.S. Department of Health and Human Services.
 - 1.6. Day: A calendar day, unless specified otherwise.
 - 1.7. Data: means recorded information, regardless of form or the media on which it may be recorded. The term may include technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.
 - 1.8. Eligible Hospital(s): Hospitals that AHCCCS has determined meet the requirements of Arizona Administrative Code, R9-22-712.05 for an “eligible health care facility” and that are listed in Attachment A to this Agreement.

- 1.9. FFP or Federal Financial Participation: the federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.
 - 1.10. GME Payments: a supplemental payment to an Eligible Hospital for Graduate Medical Education costs described in Arizona Administrative Code, R9-22-712.05 made by AHCCCS pursuant to the State Plan.
 - 1.11. Service Year: the period from July 1, 2023 through June 30, 2024.
 - 1.12. State: The State of Arizona.
 - 1.13. State Plan: The agreement between the State and CMS for the administration of the Medicaid program in Arizona as described in 42 C.F.R. 430.10.
 - 1.14. Non-Federal Share: The portion of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act, that are not FFP, and which meet the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.
2. **Purpose.** The purpose of this Agreement is to set forth the procedures under which the Public Entity will, at its discretion and contingent upon AHCCCS and CMS approval, transfer public funds for use as the Non-Federal Share of GME Payments under this Agreement for Graduate Medical Education costs during the Service Year. It is the intent of the parties that the procedures herein fully comply with Federal and State laws, rules, and regulations.
 3. **Eligibility Requirements.** Monies transferred by the Public Entity and claimed by AHCCCS as the Non-Federal Share of Medicaid expenditures under this Agreement may only be used for permissible GME Payments and distributed to Eligible Hospitals. AHCCCS will determine which Eligible Hospitals are eligible for GME Payments for GME costs during the Service Year and the amount of any distribution. Eligibility and distribution amount determinations for GME Payments will be consistent with applicable Federal and State statutes, regulations, rules, and the terms of the State Plan.
 4. **AHCCCS Rights and Obligations.**
 - 4.1. Receipt and Distribution of Funds. Consistent with the State Plan, and State and Federal laws and regulations, AHCCCS will use the funds transferred by the Public Entity to claim FFP and distribute an amount equal to the sum of the Non-Federal Share transferred by the Public Entity under this Agreement and the corresponding FFP to Eligible Hospitals as GME Payments for hospital services provided during the Service Year in the amounts shown on Attachment A to this Agreement. Both the Non-Federal Share and the FFP under this Agreement may only be used for GME payments to Eligible Hospitals.
 - 4.2. AHCCCS Payment Recoupment from Eligible Hospital. AHCCCS, upon prior written notice to the Eligible Hospitals, will require Eligible Hospitals receiving GME payments as a result of this Agreement, to reimburse AHCCCS upon demand and, if not reimbursed upon demand, AHCCCS will deduct from any future payments from AHCCCS otherwise due to the Eligible Hospital(s) any amount:
 - 4.2.1 Received by the Eligible Hospital from AHCCCS as GME Payments that were based on inaccurate information provided by the Public Entity or the Eligible Hospital, that are found to be for an excluded expense, or that otherwise result in an inaccurate payment;
 - 4.2.2 Paid by AHCCCS for which an Eligible Hospital's books, records, and other documents are not sufficient to clearly confirm that the Eligible Hospital was entitled to the GME payments;
 - 4.2.3 Paid by AHCCCS for which the Public Entity's books, records, and other documents are not sufficient to clearly confirm that the funds transferred to AHCCCS are public funds which meet

the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources;

- 4.2.4 Identified as a payment that may not be claimed for FFP as the result of a CMS financial management review, deferral, disallowance, or audit.
- 4.3. AHCCCS is responsible for satisfying CMS requirements regarding reporting, adjusting claims for or reimbursing FFP, as necessitated by a recoupment as noted in Section 4.2 of this Agreement, or applicable Federal laws, rules, and regulations. This provision does not relieve the Public Entity or an Eligible Hospital from their obligations under Section 4.2 or the obligations under Section 6 of this Agreement.
- 4.4. In the event AHCCCS recoups GME payments from an Eligible Hospital and subject to the Public Entity's obligations in Section 5.4, AHCCCS will promptly return to the Public Entity, without demand, that portion of the recoupment representing the Non-Federal Share contributed by the Public Entity under this Agreement. To the extent AHCCCS is obligated to reimburse CMS for FFP for GME payments (including any interest incurred as a result of an appeal of the disallowance), no portion of any amounts recouped from an Eligible Hospital will be returned to the Public Entity until CMS has been reimbursed for any amounts due to CMS for FFP for GME payments.
- 4.5. Eligible Hospitals will receive and retain one hundred percent (100%) of all GME payments.
- 4.6. As a condition of making GME payments, Eligible Hospitals will be required to enter into a separate written agreement (Attachment B, the Agreement to Reimburse Impermissible Graduate Medical Education payments) requiring the hospital refund GME payments in the event of a disallowance based on the impermissibility of the transferred funds.

5. The Public Entity's Rights and Obligations.

- 5.1. No later than June 1st of the year following the Service Year, the Public Entity shall transfer to AHCCCS the amount identified in Attachment A to this Agreement, which amount shall be used pursuant to Section 4.1 above. The Public Entity warrants that the Non-Federal Share transferred by the Public Entity to AHCCCS is derived from the public sources identified in Attachment A to this Agreement.
- 5.2. After receiving the funds transferred by the Public Entity under this Agreement, AHCCCS will make GME Payments to the Eligible Hospitals in the amounts shown on Attachment A to this Agreement pursuant to Section 4.1 hereof without any deductions or set offs. Payments will not be made after the time limits for AHCCCS to file claims for FFP set forth in 45 C.F.R. Part 95, Subpart A as interpreted by the United States Department of Health and Human Services Departmental Appeals Board. In the event AHCCCS cannot make GME Payments to an Eligible Hospital due to the time limit for claiming FFP, AHCCCS will promptly return to the Public Entity, without demand, the unexpended portion of the Non-Federal Share contributed by the Public Entity under this Agreement.
- 5.3. Within fifteen (15) days after the date of distribution of the GME payments to the Eligible Hospitals, AHCCCS will provide the Public Entity with a report showing the actual distribution of funds to the Eligible Hospitals.
- 5.4. In the event of a disallowance based on the impermissibility of the transferred funds and the failure of the Eligible Hospital to refund GME payments as required by Attachment B, AHCCCS shall make diligent efforts to recover the amounts due under Section 4.2 and Attachment B. If AHCCCS is unable to recover the total computable amount associated with such disallowance from the Eligible Hospital within twelve months of AHCCCS's demand for a refund (unless stayed as part of an administrative appeal related to such disallowance), the Public Entity shall, within 30 days of written demand from AHCCCS, make a

payment to AHCCCS equal to any difference between the amount not collected from the Eligible Hospital and the amount due to CMS as the result of the disallowance, including any interest incurred as a result of an appeal of the disallowance.

6. Compliance with Administrative Requirements for State Financial Participation.

- 6.1. Public Entity warrants that, consistent with 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources, no portion of the funds transferred to AHCCCS are derived from (1) direct or indirect provider-related donations (in cash or in kind), other than bona fide provider-related donations or (2) health care-related taxes, other than as permitted in Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.
- 6.2. Public Entity certifies that, consistent with 42 C.F.R. § 433.51(c) and any other federal law or regulation applicable to the permissibility of funding sources, the funds transferred to AHCCCS under this Agreement are not federal funds or are federal funds authorized by federal law to be used to match other federal funds.
- 6.3. Public Entity agrees to provide AHCCCS with supporting documentation of the sources of the funds transferred pursuant to this agreement and of the bases for the Public Entity's assurance that the funds transferred comply with Sections 6.1 and 6.2.
- 6.4. If Public Entity fails to provide supporting documentation required in Section 6.3 of this Agreement such that CMS adjusts future grant awards to AHCCCS or defers or disallows any expenditures claimed by AHCCCS, then Public Entity agrees to reimburse AHCCCS immediately, upon demand by AHCCCS, in the amount of the adjustment or disallowance that is attributable to sources that do not comply with Sections 6.1 or 6.2 of this agreement.
- 6.5. If any funds transferred by Public Entity are determined to be derived from provider-related donations or health care-related taxes, federal funds, or funds that otherwise do not meet the requirements of 42 C.F.R. Part 433, Subpart B or any other federal law or regulation applicable to the permissibility of funding sources, the Public Entity is responsible for making payment to AHCCCS under the terms of Section 5.4.
- 6.6. Reimbursement or payment by the Public Entity under Sections 6.4 or 6.5 does not relieve AHCCCS of its obligation under Section 4.2 of this Agreement to pursue recoupment from the Eligible Hospitals or its obligation under Section 4.4 to return to the Public Entity the Non-Federal portion of amounts recouped from the Eligible Hospitals.
- 6.7. Public Entity certifies that the funds transferred to AHCCCS as described in this Agreement are made voluntarily and that neither the State nor AHCCCS has through statute, rule, or otherwise required the Public Entity to provide the funding.

7. General Provisions.

- 7.1. Entire Agreement. This document, its attachments, and appendices, including any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the Parties, and supersedes all other understandings, oral or written.
- 7.2. Exercise of Rights. Failure to exercise any right, power or privilege under this Agreement will not operate as a waiver thereof, nor will a single or partial exercise thereof preclude any other or further exercise of that or any other right, power, or privilege.

- 7.3. Contract Term. Notwithstanding the facts that certain AHCCCS or Public Entity obligations under this Agreement occur after the Term hereof, the parties agree that the Term of this Agreement commences when signed by both parties and continues through the conclusion of: (1) any payment reconciliations required by Federal or State law, or the State Plan applicable to GME Payments or (2) audits of GME payments as required by State or Federal law.
- 7.4. Compliance with Laws, Rules, and Regulations. AHCCCS, the Public Entity, Eligible Hospitals, and their subcontractors must comply with all applicable Federal and State laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this Agreement.
- 7.4.1. Non-Discrimination. The parties shall not discriminate against any employee, client, or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out their duties pursuant to this Agreement. The Parties shall comply with the provisions of Arizona Executive Order 2023-01, incorporated into this Agreement by reference, as if set forth in full herein.
- 7.4.2. ADA. The parties shall comply with all applicable provisions of the Americans with Disabilities Act of 1990, as amended by the ADA Amendments Act of 2008 (together, "the Acts"), 42 U.S.C. 12101-12213, and all applicable federal regulations under the Acts, including 28 C.F.R. Parts 35 and 36.
- 7.5. Choice of Law. The laws and regulations of the State of Arizona govern the rights of the Parties, the performance of this Agreement, and any disputes arising from the Agreement.
- 7.6. Compulsory Arbitration. Any action relating to this Agreement must be brought by arbitration to the extent required by A.R.S. § 12-1518 or in an appropriate court. Any arbitration award will be enforced in an appropriate court.
- 7.7. Amendments. This Agreement, including its term, may be modified only through a duly authorized written amendment, executed with the same formality as the Agreement.
- 7.8. Notice. Any notice required by the terms of the Agreement and any questions regarding the duties and obligations of this contract shall be directed to:
- 7.8.1 For AHCCCS:
- Meggan LaPorte, Chief Procurement Officer
PROCUREMENT@azahcccs.gov
- 7.8.2 For the Public Entity:
- [insert name and contact information for the appropriate individual at the Public Entity]
- 7.8.3 AHCCCS and the Public Entity will give notice by regular mail, or any other means reasonably anticipated to provide actual notice to the other party of any change of the address, telephone number, name of the authorized signatory or designee; or name and/or address of the person to whom notices are to be sent.

- 7.9 Termination. Pursuant to A.R.S. § 38-511, either party to this Agreement may terminate this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee of, agent of, or a consultant to any other party to this Agreement with respect to the subject matter of the Agreement. The cancellation will be effective when AHCCCS or the Public Entity receives written notice of the cancellation unless the notice specifies a later time.
- 7.10 Records. The Parties, including Eligible Hospitals, agree to retain all financial books, records, and other documents and will contractually require each subcontractor to retain all data and other records relating to the acquisition and performance of the Agreement for a period of five (5) years after the completion of the Agreement. All records are subject to inspection and audit by the Parties at reasonable times. Upon request, the Parties will produce a legible copy of any or all such records.
- 7.11 Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held by a court to be invalid or unenforceable, the remaining provisions continue to be valid and enforceable to the full extent permitted by law.
- 7.12 Indemnification. Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.
- 7.13 No Third-Party Beneficiaries. Nothing in the provisions of this Agreement is intended to (1) create duties or obligations to or rights in Eligible Hospitals or any other persons or entities not parties to this Agreement or (2) effect the legal liability of either party to the Agreement with respect to Eligible Hospitals or any other persons or entities not parties to this Agreement.
- 7.14 No Joint Venture. Nothing in this Agreement is intended to create a joint venture between or among the Parties, including the Eligible Hospitals, and it will not be so construed. Neither AHCCCS's nor the Public Entity's employees will be considered officers, agents, or employees of the other or be entitled to receive any employment related fringe benefits from the other.
- 7.15 Offshore Performance of Work Involving Data is Prohibited. Any Services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to Data shall be performed within the defined territories of the United States.
- 7.16 Protection of State Cybersecurity Interests. The Public Entity shall comply with State Executive Order No. 2023-10, which includes, but is not limited to, a prohibition against (a) downloading and installing of TikTok on all State-owned and State-leased information technology; and (b) accessing TikTok through State information technology.
- 7.17 Certifications Required by State Law.
- 7.17.1 If Public Entity is a Company as defined in A.R.S. § 35-393, the Public Entity certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 *et seq.* and will refrain from any such boycott for the duration of this Contract.
- 7.17.2 Public Entity further certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

- 7.18 Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current State Fiscal Year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current State Fiscal Year until funds are made available for performance of this Contract.
- 7.19 Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these Materials or Services are not funded, the State may take any of the following actions:
- 7.19.1 Accept a decrease in price offered by the Public Entity.
 - 7.19.2 Cancel the Contract.
 - 7.19.3 Cancel the Contract and re-solicit the requirements.
- 7.20 Performance in Public Health Emergency. Public Entity warrants that it will:
- 7.20.1 Have in effect, promptly after commencement, a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum:
 - 7.20.1.1 Identification of response personnel by name;
 - 7.20.1.2 Key succession and performance responses in the event of sudden and significant decrease in workforce; and
 - 7.20.1.3 Alternative avenues to keep sufficient product on hand or in the supply chain.
 - 7.20.2 Provide a copy of its current plan to State within three (3) business days after State's written request. If Public Entity claims relief under paragraph 6.4 [Force Majeure] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on the Public Entity having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.
 - 7.20.3 A request from the State related to this paragraph 7.10 does not necessarily indicate that there has been an occurrence of force majeure, and the Public Entity will not be entitled to any additional compensation or extension of time by virtue of having to implement a plan.
 - 7.20.4 Failure to have or implement an appropriate plan will be a material breach of contract.
- 7.21 Lobbying
- 7.21.1 Prohibition. Public Entity warrants that it will not engage in lobbying activities, as defined in 40 Code of Federal Regulations (CFR) part 34 and A.R.S. § 41-1231, *et seq.*, using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Public Entity's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. The Public Entity shall implement and maintain adequate controls to assure compliance with above. The Public Entity shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.
 - 7.21.2 Exception. This paragraph 7.11 does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

ATTACHMENT A

To The Intergovernmental Agreement between AHCCCS [**The Arizona Health Care Cost Containment System Administration**] and [insert name of Public Entity] [**Public Entity**].

Pursuant to the Agreement: (1) the Public Entity has designated the hospitals listed below as Eligible Hospitals, (2) the Public Entity has agreed to transfer public funds in the amount specified below as the Non-Federal Share of GME Payments to each Eligible Hospital; and AHCCCS has agreed to use the transferred funds to make the GME Payments specified below:

Eligible Hospital	Non-Federal Share	GME Payment
Totals:	\$ 0.00	\$ 0.00

Pursuant to the Agreement, the Public Entity warrants that the amounts transferred under the Agreement are derived from the following sources meeting the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources:

Source	Amount
Total:	\$ 0.00

ATTACHMENT B**AGREEMENT TO REIMBURSE IMPERMISSIBLE GRADUATE MEDICAL EDUCATION PAYMENTS**

As a condition of receiving Graduate Medical Education (GME) Payments from AHCCCS under A.R.S. § 36-2903.01(G)(9)(f), the undersigned Hospital agrees that in the event CMS issues a disallowance of FFP based on a determination that the source of the funds transferred by any Governmental Entity in support of GME payments to the Hospital are either federal funds, provider-related donations, or health care-related taxes that are not permissible under 42 C.F.R. Part 433, Subpart B or any other federal law or regulation applicable to the permissibility of funding sources, the Hospital will, upon final exhaustion of any administrative appeal related to such disallowance:

- (1) refund to AHCCCS within 30 days of written demand an amount of the GME payments made to the Hospital equal to the total computable amount associated with such disallowance, including any interest incurred as a result of an appeal; and/or
- (2) permit AHCCCS to offset the amount referenced in (1), to the extent it is not refunded, from any amounts otherwise due to the Hospital.

DEFINITIONS. As used in this Agreement to Reimburse Impermissible Graduate Medical Education Payments ("Agreement"), the following terms have the following meanings:

AHCCCS: Arizona Health Care Cost Containment System, an agency of the State, which administers the Medicaid program under Title XIX of the Social Security Act and the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act in Arizona.

CMS: The Centers for Medicare and Medicaid Services, a federal agency within the U.S. Department of Health and Human Services.

FFP or Federal Financial Participation: the federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.

Governmental Entity: local, county, or tribal governments, or universities under the jurisdiction of the Arizona board of regents or other governmental entities that are legally qualified to participate in funding program expenditures pursuant to A.R.S. § 36-2903.01(G)(9)(f) and that have transferred funds to AHCCCS under that authority.

Hospital: the undersigned Hospital, including the hospital and its employed physicians.

Agreed to this ____ day of _____, 202_ by:

Name: _____

Title: _____

On behalf of: _____