STATE OF NEW MEXICO
HEALTH CARE AUTHORITY

GOVERNMENTAL SERVICES AGREEMENT FOR THE MEDICAID SCHOOL BASED SERVICES PROGRAM FOR INSERT SCHOOL NAME

This **Governmental Services Agreement (GSA)** is made and entered into by and between the State of New Mexico Health Care Authority**,** hereinafter referred to as the "HCA" or the "Agency", and the above-named Local Educational Agency (LEA), Regional Educational Cooperative (REC) or other State-Funded Educational Agency (SFEA)**,** hereinafter referred to as the "Contractor", to participate in the Medicaid School-Based Services (MSBS) program.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work

The Contractor shall perform all services detailed in Exhibit A, Scope of Work, attached hereto, and incorporated herein by reference.

2. Compensation

A. The total amount payable to the Contractor under this GSA for administrative claims shall not exceed **$XXX,XXX.XX** including expenses. This amount is a maximum and not a guarantee that the work assigned to Contractor under this GSA to be performed shall equal the amount stated herein. Furthermore, this amount does not include direct service claims reimbursable to the contractor at the Medicaid approved rates, as set forth in the attached Scope of Work.

The total amount payable to the Contractor under this GSA, including expenses, shall not exceed **$XXX,XXX.XX** in **FY25**.

The total amount payable to the Contractor under this GSA, including expenses, shall not exceed **$XXX,XXX.XX** in **FY26**.

The total amount payable to the Contractor under this GSA, including expenses, shall not exceed **$XXX,XXX.XX** in **FY27**.

The total amount payable to the Contractor under this GSA, including expenses, shall not exceed **$XXX,XXX.XX** in **FY28**.

B. Payment in FY25, FY26, FY27 and FY28 is subject to availability of funds pursuant to the Appropriations Section set forth below and to any negotiations between the parties from year to year pursuant to Section 1, Scope of Work, and to approval by the HCA. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. **Invoices received after such date WILL NOT BE PAID.**

C. The Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If the Agency finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, the Agency shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the Agency that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the Agency shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

3. Term

This GSA shall be effective **July 01, 2024** and shall terminate on **June 30, 2028**, unless amended, extended, or terminated pursuant to the terms of this GSA.

4. Termination

A. Termination. This GSA may be terminated by either party upon written notice delivered to the other party no less than sixty (60) days prior to the intended date of termination. Such notice of termination shall neither alter nor negate the performance of obligations incurred by either party prior to receipt of the notice. Except as otherwise allowed or provided under this GSA, the HCA's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the HCA is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this GSA. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this GSA may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the Agency or if, during the term of this GSA, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of state funds or due to the Appropriations paragraph herein. *THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE STATE'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS GSA.*

B. Termination Management. Immediately upon receipt by either the Agency or the Contractor of notice of termination of this GSA, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this GSA without written approval of the HCA; 2) comply with all directives issued by the Agency in the notice of termination as to the performance of work under this GSA; and 3) take such action as the Agency shall direct for the protection, preservation, retention or transfer of all property titled to the Agency and records generated under this GSA. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the Agency upon termination and shall be submitted to the Agency as soon as practical.

C. The HCA may terminate this GSA immediately upon confirmation by the Cabinet Secretary of the HCA of the occurrence of fraud, negligence or abuse in services or claims by the Contractor.

D. If the federal government changes funding methodology for the New Mexico Medicaid program, state or federal legislation is enacted or Medicaid policy is promulgated that materially changes or modifies either of the parties' obligations under this GSA, the GSA will be terminated, effective as of the date the HCA receives written notice of the legislative, funding or policy change.

5. Appropriations

The terms of this GSA are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this GSA. If sufficient appropriations and authorization are not made by the Legislature, this GSA shall terminate immediately upon written notice being given by the Agency to the Contractor. The HCA's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the Agency proposes an amendment to the GSA to unilaterally reduce funding, the Contractor shall have the option to terminate the GSA or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. Status of Contractor

The Contractor and its agents and employees are independent Contractors performing professional services for the Agency and are not employees of Health Care Authority. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of the Agency vehicles, or any other benefits afforded to the Agency employees of the State of New Mexico as a result of this GSA. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the Agency unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. Assignment

The Contractor shall not assign or transfer any interest in this GSA or assign any claims for money due or to become due under this GSA without the prior written approval of the HCA.

8. Subcontracting

The Contractor shall not subcontract any portion of the services to be performed under this GSA without the prior written approval of the HCA.

9. Release

Final payment of the amounts due under this GSA shall operate as a release of the HCA, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this GSA.

10. Confidentiality

The Contractor shall not make any confidential information concerning Medicaid participants that has been provided to, or developed by the Contractor, available to any individual or organization outside the LEA, REC or other SFEA unless the Medicaid participant or the participant's parent, legal guardian or surrogate parent has given written consent to its release, or release of the information is ordered by a court of competent jurisdiction or is otherwise excepted under federal or state law.

A. The Contractor shall: (1) notify HCA promptly of any unauthorized possession, use or knowledge of HCA data, files or other confidential information, (2) promptly furnish to HCA full details of the unauthorized possession, use or knowledge of HCA data, files or other confidential information, (3) assist HCA in an investigation of the matter, and (4) take immediate steps to prevent a reoccurrence.

B. HCA and the Contractor shall comply with all applicable confidentiality requirements under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regarding the privacy of individually identifiable health information, and shall ensure that any use or disclosure of medical records and other health information that identifies a particular child or youth receiving services under this GSA shall be in accordance with HIPAA privacy requirements pursuant to 45 CFR Parts 160 and 164, subparts A and E, to the extent these requirements are applicable.

C. The Contractor shall comply with all applicable confidentiality requirements of the Family Educational Rights and Privacy Act (FERPA) and Individuals with Disabilities Education Act (IDEA) regarding the release of personally identifiable information contained in students' educational records. If such records contain personally identifiable health information, the health information is also protected under HIPAA.

D. Since HCA is an agent providing special services that allow the Contractor to carry out its educational responsibilities, pursuant to FERPA regulations at 34 CFR 99.31(a)(1), 34 CFR 99.33(a) and IDEA regulations at 34 CFR 300.571(a), the Contractor may release personally identifiable information contained in students' educational records to HCA without parental consent when needed to carry out the terms of this GSA.

E. The confidentiality provisions in this GSA shall be binding on all parties, their agents, successors and assigns.

11. Product of Service - Copyright

All materials developed or acquired by the Contractor under this GSA shall become the property of the State of New Mexico and shall be delivered to the Agency no later than the termination date of this GSA. Nothing developed or produced, in whole or in part, by the Contractor under this GSA shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. Conflict of Interest: Governmental Conduct Act

A. The Contractor represents and warrants that it presently has no interest and, during the term of this GSA, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the GSA.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this GSA, will continue to comply with, and that this GSA complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Contractor does not employ, has not employed, and will not employ during the term of this GSA any Agency employee while such employee was or is employed by the Agency and participating directly or indirectly in the Agency's contracting process;

2) this GSA complies with Section 10-16-7(A) NMSA 1978 because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by Section 10-16-7(A) NMSA 1978 and this GSA was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(A) NMSA 1978, (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this GSA and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in the Agency's making this GSA;

4) this GSA complies with Section 10-16-9(A) NMSA 1978 because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by Section 10-16-9(A) NMSA 1978, this GSA is not a sole source or small purchase contract, and this GSA was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with Section 10-16-13 NMSA 1978, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this GSA or any procurement related to this GSA; and

6) in accordance with Section 10-16-3 and Section 10-16-13.3 NMSA 1978, the Contractor has not contributed, and during the term of this GSA shall not contribute, anything of value to a public officer or employee of the Agency.

C. The Contractor's representations and warranties in Paragraphs A and B of this Section 12 are material representations of fact upon which the Agency relied when this GSA was entered into by the parties. The Contractor shall provide immediate written notice to the Agency if, at any time during the term of this GSA, the Contractor learns that the Contractor's representations and warranties in Paragraphs A and B of this Section 12 were erroneous on the effective date of this GSA or have become erroneous by reason of new or changed circumstances. If it is later determined that the Contractor's representations and warranties in Paragraphs A and

B of this Section 12 were erroneous on the effective date of this GSA or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Agency and notwithstanding anything in the GSA to the contrary, the Agency may immediately terminate the GSA.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment

A. This GSA shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Agency proposes an amendment to the GSA to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the GSA, pursuant to the termination provisions contained herein, or to agree to the reduced funding.

14. Merger

This GSA incorporates all the agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this written GSA. No prior agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this GSA.

15. Penalties for Violation of Law

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this GSA. If Contractor is found not to be in compliance with these requirements during the life of this GSA, Contractor agrees to take appropriate steps to correct these deficiencies.

17. Applicable Law

The laws of the State of New Mexico shall govern this GSA, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G), NMSA 1978. By execution of this GSA, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this GSA.

18. Workers Compensation

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this GSA may be terminated by the HCA.

19. Records and Audit

A. The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the GSA's term and effect and retain them for a period of five (5) years from the date of final payment under this GSA. The records shall be subject to inspection by the HCA, the Department of Finance and Administration and the State Auditor. The HCA shall have the right to audit billings both before and after payment. Payment under this GSA shall not foreclose the right of the HCA to recover excessive or illegal payments.

B. Contract for an independent audit in accordance with 2 CFR 200 at the Contractor's expense, as applicable or upon HCA request, submit its most recent 2 CFR 200 audit. The Contractor shall ensure that the auditor is licensed to perform audits in the State of New Mexico and shall be selected by a competitive bid process. The Contractor shall enter into a written contract with the auditor specifying the scope of the audit, the auditor's responsibility, the date by which the audit is to be completed and the fee to be paid to the auditor for this service. Single audits shall comply with procedures specified by the HCA. The audit of the contract shall cover compliance with Federal Regulations and all financial transactions hereunder for the entire term of the GSA in accordance with procedures promulgated by 2 CFR 200 or by Federal program officials for the conduct and report of such audits. An official copy of the independent auditor's report shall be available to the HCA and any other authorized entity as required by law within (fifteen) 15 days of receipt of the final audit report. The Contractor may request an extension to the deadline for submission of the audit report in writing to the HCA for good cause and the HCA reserves the right to approve or reject any such request. The HCA retains the right to contract for an independent financial and functional audit for funds and operations under this GSA if it determines that such an audit is warranted or desired.

C. Upon completion of the audit under the applicable federal and state statutes and regulations, the Contractor shall notify the HCA when the audit is available for review and provide online access to the HCA, or the Contractor shall provide the HCA with four (4) originals of the audit report. The HCA will retain two (2) and one (1) will be sent to the HCA/Office of the Inspector General and one (1) to the HCA/Administrative Services Division/Compliance Bureau.

D. Within thirty (30) days thereafter, or as otherwise determined by the HCA in writing, the Contractor shall provide the HCA with a response indicating the status of each of the exceptions or findings in the said audit report. If either the exceptions or findings in the audit are not resolved within thirty (30) days, the HCA has the right to reduce funding, terminate this GSA, and/or recommend decertification in compliance with state and/or federal regulations governing such action.

E. This audit shall contain the Schedule of Expenditures of Federal Awards for each program to facilitate ease of reconciliation by the HCA. This audit shall also include a review of

the schedule of depreciation for all property or equipment with a purchase price of $5,000 or more pursuant to 2 CFR 200, specifically subpart F, and appendices where appropriate.

F. This audit shall include a report on compliance with requirements applicable to each major program and internal control over compliance in accordance with 2 CFR 200, specifically subpart F and appendices.

20. Liability

A. Neither party shall be responsible for any liability incurred as a result of the other party's acts or omissions in conjunction with this GSA. Each party shall be solely responsible for fiscal or other sanctions, penalties or fines occasioned as a result of its own, or its agent's, violation of requirements applicable to the performance of this Agreement. Each party shall be liable for its acts or omissions. Any liability incurred in connection with this GSA is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1 et seq., NMSA 1978, §41-4-1 through 41-4-27.

B. If the Centers for Medicare and Medicaid Services (CMS) orders HCA to repay federal financial participation (FFP) previously received pursuant to this GSA, as a result of expenditures found not to be in compliance with federal laws and regulations or the Medicaid State Plan, the HCA, with full cooperation of the Contractor, agrees to exhaust all reasonable administrative remedies as may be available in contesting CMS' repayment demand.

C. In the event the federal government ultimately denies FFP for any reimbursement the HCA has made to the Contractor pursuant to this GSA, the Contractor shall be responsible for repaying the disallowed funds to the HCA. Such repayment may be effected by offsets against the Contractor's future direct and/or administrative claims.

21. Invalid Term or Condition

If any term or condition of this GSA shall be held invalid or unenforceable, the remainder of this GSA shall not be affected and shall be valid and enforceable.

22. Enforcement of GSA

A party's failure to require strict performance of any provision of this GSA shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this GSA shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

23. Notices

Any notice required to be given to either party by this GSA shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the HCA: Vanessa Skrehot, School Health Manager
Medical Assistance Division
Health Care Authority
Post Office Box 2348
Santa Fe, NM 87504-2348

vanessa.skrehot@hca.nm.gov

To Contractor: **Insert School Contact Info**

24. Authority

If the Contractor is other than a natural person, the individual(s) signing this GSA on behalf of the Contractor represents and warrants that he or she has the power and authority to bind the Contractor, and that no further action, resolution, or approval from the Contractor is necessary to enter into a binding contract.

25. Debarment and Suspension

A. Consistent with all applicable federal and/or state laws and regulations, as applicable, and as a separate and independent requirement of this GSA the Contractor certifies by signing this GSA, that it and its principals, to the best of its knowledge and belief: (1) are not debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal department or agency; (2) have not, within a three-year period preceding the effective date of this GSA, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; (3) have not been indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with, commission of any of the offenses enumerated above in this Paragraph A; (4) have not, within a three-year period preceding the effective date of this GSA, had one or more public agreements or transactions (Federal, State or local) terminated for cause or default; and (5) have not been excluded from participation from Medicare, Medicaid or other federal health care programs pursuant to Title XI of the Social Security Act, 42 U.S.C. § 1320a-7.

B. The Contractor's certification in Paragraph A, above, is a material representation of fact upon which the HCA relied when this GSA was entered into by the parties. The Contractor's certification in Paragraph A, above, shall be a continuing term or condition of this GSA. As such at all times during the performance of this GSA, the Contractor must be capable of making the certification required in Paragraph A, above, as if on the date of making such new certification The Contractor was then executing this GSA for the first time. Accordingly, the following requirements shall be read so as to apply to the original certification of the Contractor in Paragraph A, above, or to any new certification the Contractor is required to be capable of making as stated in the preceding sentence:

1) The Contractor shall provide immediate written notice to the HCA's Program Manager if, at any time during the term of this GSA, the Contractor learns that its certification in Paragraph A, above, was erroneous on the effective date of this GSA or has become erroneous by reason of new or changed circumstances.

2) If it is later determined that the Contractor's certification in Paragraph A, above, was erroneous on the effective date of this GSA or has become erroneous by reason of new or changed circumstances, in addition to other remedies available to the HCA, the HCA

may terminate the GSA.

C. As required by statute, regulation or requirement of this contract, and as contained in Paragraph A, above, the Contractor shall require each proposed first-tier sub-contractor whose subcontract will equal or exceed $25,000, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the sub-contractor, or its principals, is or is not debarred, suspended, or proposed for debarment by any Federal department or agency. The Contractor shall make such disclosures available to the HCA when it requests sub-contractor approval from the HCA. If the sub-contractor, or its principals, is debarred, suspended, or proposed for debarment by any Federal, state or local department or agency, the HCA may refuse to approve the use of the sub-contractor.

26. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

A. The applicable definitions and exceptions to prohibited conduct and disclosures contained in 31 U.S.C. § 1352 and 45 C.F.R. Part 93, as applicable, are hereby incorporated by reference in subparagraph (B) of this certification.

B. The Contractor, by executing this GSA, certifies to the best of its knowledge and belief that:

1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement; and

2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer.

C. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

D. This certification is a material representation of fact upon which reliance is placed when this GSA is made and entered into. Submission of this certification is a prerequisite for making and entering into this GSA imposed under 31 U.S.C. § 1352. It shall be a material obligation of the Contractor to keep this certification current as to any and all individuals or activities of anyone associated with the Contractor during the pendency of this GSA Any person

who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to: (1) a civil penalty of not less than $10,000 and not more than $100,000 for such failure; and/or (2) at the discretion of the HCA, termination of the GSA.

27. Findings and Sanctions

A. The Contractor agrees to be subject to the findings and sanctions assessed as a result of the HCA audits, federal audits, and disallowances of the services provided pursuant to this GSA and the administration thereof.

B. The Contractor will make repayment of any funds expended by the HCA subject to which an auditor, with the jurisdiction and authority, finds were expended, or to which appropriate federal funding agencies take exception and so request reimbursement through a disallowance or deferral based upon the acts or omissions of the Contractor that violate applicable federal statues and/or regulations, subject to sufficient appropriations of the NM Legislature.

C. If the HCA becomes aware of circumstances that might jeopardize continued federal funding, the situation shall be reviewed and reconciled by a mutually agreed upon panel of Contractor and the HCA officials. If reconciliation is not possible, both parties shall present their view to the Director of the Administrative Services Division who shall determine whether continued payment shall be made.

28. Surplus Funds

This GSA shall operate solely on a reimbursement basis.

29. Disposition, Division or Distribution of Equipment and Supplies

All disposition, division or distribution of equipment, materials and supplies for which the Contractor is reimbursed pursuant to the terms of this GSA shall occur in accordance with applicable federal and state laws and regulations.

30. Monitoring and Oversight

To ensure that all participating Contractors have in place the requisite guidelines and procedures for program administration, pursuant to the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto, the HCA shall institute five (5) key methods of monitoring and oversight of the MSBS program, as follows:

A. Statewide desk audits will be conducted on the quarterly administrative claims and annual direct medical services cost report. The desk audits will include a review of the Contractor's calculations and a determination of whether the claim is appropriate, and the formula has been applied correctly.

B. Statewide desk audits will be conducted to assess implementation of the Random Moment Sampling (RMS) time study methodology and determine whether the results are reported correctly on the Contractor's administrative claims. Documentation supporting random moment

time study moments coded as direct medical services will be required. More frequent onsite audits will be conducted, as necessary, based on the outcome of the desk audits.

C. Trends will be identified by the HCA based on daily telephone calls and email inquiries from participating Contractors. Follow-up trainings will be responsive to the identified trends, and technical assistance will be provided as needed. The HCA will also use trends identified through grievance processes and administrative hearings to help plan trainings and direct the focus of the onsite visits.

D. The Contractor's experience and program understanding will be assessed through pre-testing and post-testing administered at the HCA training sessions.

E. Periodic assessments, onsite visits and targeted technical assistance may be conducted by the HCA to assess the completeness of the Contractor's supporting documentation for both administrative and direct medical services; the Contractor's coordination of care with Managed Care Organizations (MCOs), Primary Care Provider (PCPs), and other health care entities.

31. Enforcing Compliance

When a participating Contractor is found to be out of compliance through a desk audit, onsite audit or other means of oversight, the following principles and guidelines will apply:

A. Any claim(s) for the date(s) in question may be recalculated by the HCA based on the audit findings, and the recalculated claim approved for payment.

B. Any claim(s) for the date(s) in question may be denied totally or in part.

C. The Contractor may be required to submit a Corrective Action Plan to the HCA, within thirty (30) days from the date of the HCA's Report of Audit Findings, stating how the Contractor intends to remedy the non-compliance issues identified in the audit report.

D. Funds required to be reimbursed by the Contractor, as a result of the HCA's audit findings, may be recouped by direct payment to the HCA or by offset against the Contractor's direct and/or administrative claims.

E. The Contractor has the right to appeal the HCA's audit findings and related issues through the administrative hearing process, pursuant to the Medicaid provider hearing regulations at §8.352.3 NMAC.

32. Dispute Resolution

A. Disagreements between the HCA and the Contractor over any aspect of this GSA, including Medicaid claims, should initially be addressed through informal discussions between the parties of the GSA. Such disputes are best resolved informally at the lowest possible organizational levels.

B. Disputes between the HCA and the Contractor over Medicaid claims and related issues that cannot be resolved by informal means shall be resolved through the HCA's

administrative hearing process pursuant to the Medicaid provider hearing regulations at §8.352.3 NMAC.

C. The Contractor may continue to submit direct and administrative claims to the HCA during the hearing process; however, if the final hearing decision is not in the Contractor's favor, the monies the HCA has paid on the disputed claims may be recovered by offset against the Contractor's future direct and/or administrative claims as determined under the hearing process.

D. If the Contractor elects to seek an appeal of the administrative hearing decision with a State District Court, the Contractor may not continue to bill the HCA for the disputed claims during the judicial appeal period.

E. The occurrence of disputes between the HCA and the Contractor concerning direct and/or administrative claims does not negate, suspend, say or delay the Contractor's continuing obligation under this GSA to certify to the HCA the state's share of Medicaid reimbursement(s) for direct services paid to the Contractor during the preceding fiscal year.

33. Continuation of Programs and Funding

This GSA is contingent upon the continuation of current federal laws and regulations governing federal Medicaid policies and FFP, as they apply to the MSBS program, and upon the availability of sufficient state funding. The HCA's determination concerning the sufficiency of state funds available for continuation of the MSBS program shall be final.

34. Entire GSA

This GSA incorporates all agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged, including by reference into this written GSA. No prior agreements or understandings of the parties or their agents, verbal or otherwise, are valid or enforceable unless embodied in this GSA.

35. Miscellaneous

A. This GSA is an internal government GSA and is not intended to confer any right upon any private person.

B. Headings used in this GSA are for reference purposes only and shall not be deemed a part of the GSA.

IN WITNESS WHEREOF, the parties execute this GSA as set forth below:

STATE OF NEW MEXICO:

By: _____ Date: _____
Cabinet Secretary
Health Care Authority

By: _____ Date: _____
Chief Financial Officer
Health Care Authority

Approved as to form and legal sufficiency:

By: _____ Date: _____
Office of General Counsel
Health Care Authority

Governing Contractor Official:

Title:
Signature: _____ Date: _____

Designee: _____ Date: _____

Approved as to Form and Legal Sufficiency:

By: _____ Date: _____
General Counsel

Exhibit A
Scope of Work

I. RECITALS

A. New Mexico's MSBS program is a collaborative effort of two state agencies: the HCA and the Public Education Department (PED) as set forth in the Inter-Agency Governmental Services Agreement for Medicaid school-based services programs between HCA and PED.

B. The parties are empowered to enter into this GSA to provide services pursuant to Title XIX of the Social Security Act and 42 CFR Part 432, State Personnel Administration.

C. The Individuals with Disabilities Education Act (IDEA) at 20 USC 1412(a)(12)(A) requires that a mechanism for interagency coordination be in effect in each state between the state educational agency and each other public agency, including the state Medicaid agency, that is otherwise obligated under federal or state law requirements to provide or pay for any services that are mandated under IDEA and are necessary to ensure a free appropriate public education (FAPE) to children with disabilities in New Mexico. Such an interagency agreement between HCA and PED has been in effect since May 9, 2003.

D. The Medicare Catastrophic Coverage Act of 1988 (P.L.100-360) clarified that Medicaid matching funds are available and may be used for health-related services covered under the Medicaid State Plan, when those services are provided under IDEA as part of an individualized education program (IEP) or an individualized family service plan (IFSP) for children and youth with disabilities.

E. The HCA may claim FFP for administrative activities performed by the LEAs, RECs, or other SFEAs (collectively known herein as "Contractor"), including outreach and coordination, as costs of administering the Medicaid State Plan, pursuant to 42 CFR 430.1, 42 CFR 431.10 and the Centers for Medicare and Medicaid Services (CMS) *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and any federal revisions thereto.

F. The Contractor acknowledges that its legal obligation to provide a FAPE to IDEA eligible children and youth may require it to provide more services than are available under this GSA through the MSBS program.

G. The CMS-issued State Medicaid Director Letter (SMDL) 14-006 provided guidance that Medicaid reimbursement is available for covered services under the approved state plan that are provided to Medicaid beneficiaries, regardless of whether there is any charge for the service to the beneficiary or the community at large. As a result, Federal Financial Participation (FFP) is available for Medicaid payments for care provided through providers that do not charge individuals for the service, as long as all other Medicaid requirements are met.

II. RESPONSIBILITIES OF THE PARTIES

A. The HCA shall:

1. Oversee the provision of direct services in the MSBS program, in accordance with federal and state laws and regulations and the Medicaid State Plan and ensure that no amendments that would render the Contractor ineligible to submit claims for Medicaid reimbursement are made to the Medicaid State Plan without first conferring with the Contractor.

2. Oversee the implementation of administrative claiming in the MSBS program in accordance with federal and state laws and regulations, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services* and any federal and state revisions thereto.

3. In consultation with PED and the Contractor, develop regulations, policies and guidelines governing the provision of Medicaid reimbursable services by the schools to Medicaid eligible children and youth with IEPs or IFSPs, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service, in accordance with federal and state laws and regulations, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

4. Such regulations, policies and guidelines may include, but are not limited to: direct services, covered benefits, claimable and non-claimable administrative activities, time study activity codes, computation of claims, documentation to support claims, quality assurance, dispute resolution, confidentiality, oversight, enforcement and parental involvement.

5. In consultation with PED and the Contractor, develops regulations, policies and guidelines governing the necessary qualifications and credentials of personnel who deliver Medicaid reimbursable services to Medicaid eligible children and youth with IEPs or IFSPs, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service.

6. In consultation with PED and the Contractor, develop and provide training and technical assistance regarding the provision of Medicaid reimbursable services by the schools to Medicaid eligible children and youth with IEPs or IFSPs, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service, and the billing of allowable administrative claims, in accordance with federal and state Medicaid regulations, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and

the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

7. In consultation with PED and the Contractor, review all training programs and materials for school-based services to determine accuracy, clarity and relevance, and revise the training programs and materials as necessary in accordance with federal and state Medicaid regulations, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

8. Ensure that the Contractor is reimbursed for medically necessary direct services provided by the Contractor to Medicaid eligible children who have Medicaid-reimbursable services identified in their IEP or IFSP, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service, pursuant to applicable federal and state Medicaid regulations, policies and guidelines, when those claims are submitted correctly by the Contractor.

9. Ensure that the Contractor is reimbursed for allowable administrative costs in accordance with applicable federal and state Medicaid regulations, policies and guidelines, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto, when those claims are submitted correctly by the Contractor.

10. In cooperation with CMS and the Contractor, develop periodic quality assurance reviews, including pre-audit and post-audit procedures, and conduct quality assurance reviews as necessary.

11. Streamline, reduce or eliminate, where possible, the paperwork required for approval of, and reimbursement for, services provided by the Contractor to Medicaid eligible children and youth who have Medicaid reimbursable services identified in their IEP or IFSP, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service.

12. Designate specific staff to work with the designated Contractor liaison to ensure that the Contractor receives timely communications, information and guidelines from HCA concerning the MSBS program, including information about, but not limited to, direct services and administrative claiming.

13. Maintain the confidentiality of records and other information relating to Medicaid recipients in accordance with applicable state and federal laws and regulations.

14. Collaborate with PED to utilize enrollment reports, provided by the Contractor, of students enrolled on the 80th day of school to calculate Medicaid Eligibility Rates

(MERs) for use in the annual direct medical service cost report and administrative claims.

15. Maintain current fiscal reports of any offsets against a Contractor's direct and/or administrative claims in accordance with generally accepted accounting principles.

B. The CONTRACTOR shall:

1. Conduct an evaluation pursuant to 34 CFR 300.304 and 6.31.2.10(D)1 NMAC to identify the special education and related services needs of each IDEA eligible child or youth, regardless of whether all services identified qualify for Medicaid reimbursement.

2. Develop an individualized education program (IEP) or individualized family service plan (IFSP) for each IDEA eligible child or youth that provides all of the special education and related services needed to address each child's or youth's identified needs, pursuant to 34 CFR 300.1 and 6.31.2.8(A) NMAC, regardless of whether all needed services qualify for Medicaid reimbursement.

3. Secure written consent from the child's or youth's parent, legal guardian or surrogate parent prior to performing any health-related services or procedures.

4. For services provided through an IEP or IFSP, secure consent from the child's or youth's parent, legal guardian or surrogate parent prior to initially seeking access for Medicaid reimbursement, pursuant to 34 CFR 300.154(d)(2)(iv)(A), and any federal revisions thereto.

5. Develop a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan or determine that services are otherwise medically necessary as appropriate for each covered service prior to seeking access for Medicaid reimbursement.

6. Ensure timely compliance with all applicable federal and state Medicaid regulations, policies and guidelines relating to Medicaid reimbursable services provided under this GSA.

7. Ensure timely compliance by health care providers with all applicable state licensing and other regulatory or credentialing requirements for providing health related services under this GSA.

8. Permit only qualified personnel approved by the HCA Medical Assistance Division in accordance with the MSBS program regulations to provide Medicaid reimbursable, health-related services to Medicaid eligible children and youth under this GSA.

9. Identify the individual(s) within or working with the Contractor, who will maintain active Presumptive Eligibility Determiner certification and perform Presumptive Eligibility and enrollment assistance activities.

10. Appoint a program liaison and, as necessary, a backup alternate for each Contractor, who will be responsible for receiving and disbursing all communications, information and guidelines from HCA regarding the MSBS program, including information about, but not limited to, direct services and administrative claiming.

11. Maintain the confidentiality of records and other information relating to Medicaid recipients in accordance with applicable state and federal laws and regulations.

12. Ensure that all staff involved in the preparation and certification of direct and administrative claims, including the Contractor's third-party billing agent(s), if applicable, attend the HCA sponsored training sessions and quarterly meetings concerning Medicaid regulations, policies and procedures, the provision of Medicaid reimbursable services and the preparation and submission of claims pursuant to this GSA

13. In consultation with the HCA and PED review all training programs and materials for the MSBS program to determine accuracy, clarity and relevance, in accordance with federal and state Medicaid regulations, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

14. Ensure that all training materials and training programs developed by the Contractor, or by the Contractor's third-party billing agent(s), if applicable, regarding the MSBS program are approved by HCA prior to distribution.

15. Ensure that all materials disseminated by the Contractor, or by the Contractor's third-party billing agent(s), if applicable, to parents, legal guardians and surrogate parents regarding the MSBS program are approved by the HCA prior to distribution.

16. Coordinate and document the coordination of services provided to Medicaid eligible children and youth under this Agreement with other health care services provided outside the MSBS program, including, but not limited to, non-school-based occupational therapy, speech therapy, physical therapy, nursing, case management and behavioral health services, whether provided through a MCO, home-and community-based waiver program, fee-for-service provider, or other health care entity.

17. Cooperate with each child's PCP to coordinate the care rendered by the Contractor and provide documentation of such cooperative efforts to the HCA upon request, in accordance with applicable federal and state Medicaid regulations.

18. Refer Medicaid eligible children and youth with an IEP or IFSP to the child's or youth's PCP for an Early and Periodic Screening, Diagnosis and Treatment (EPSDT) screen (well-child examination) and immunizations, as appropriate. For children and youth enrolled in managed care, coordinate the child's or youth's care through the MCO as follows:

a. Coordinate the provision of health and related services with the child's or youth's PCP.

b. Refer a student with multiple and complex special health care needs to the MCO on an as-needed basis for care coordination, as set forth in Medicaid regulations at 8.305.9.9 NMAC.

19. Provide to PED annually reports of 80th day enrollments to be utilized in calculating Medicaid Eligibility Rates (MERs) for use in the annual direct medical service cost report and administrative claims. These reports should be submitted in the HCA requested format no later than January 30 each year.

20. Prepare and submit all direct service and administrative claims on forms developed and approved by HCA, in accordance with federal and state Medicaid regulations, policies and guidelines, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

21. Take responsibility for the accuracy and completeness of all direct service claims and allowable administrative claims submitted for payment, pursuant to the Provider Participation Agreement and as required of all Medicaid providers, prior to submission of the claim to the HCA.

22. Designate a specific individual and, as necessary, a backup alternate, who will supervise the preparation and submission of the Contractor's direct service claims and, as required of all Medicaid providers, certify that the claims contain true, accurate and complete information and are supported by appropriate documentation.

23. Designate a specific individual and, as necessary, a backup alternate, who will supervise the preparation and submission of the Contractor's administrative claims and, as required of all Medicaid providers, certify that the claims contain true, accurate and complete information and are supported by appropriate documentation.

24. Prepare and submit direct service claims within 120 days from the date of service on forms developed and approved by the HCA in accordance with federal and state Medicaid regulations, policies and guidelines. Claims that are not submitted within 120 days may not be reimbursed.

25. Participate in the CMS approved quarterly Random Moment Time Study and include all allowable direct medical service providers as participants.

26. Complete the annual cost report and submit to HCA for reconciliation and settlement against the interim payments received during the previous fiscal year.

27. Prepare and submit claims for allowable administrative costs within 45 days from the end of the billing quarter, with the exception of the quarter ending June 30, for which

claims must be received no later than ten (10) days after the end of that quarter, on forms developed and approved by the HCA, in accordance with federal and state Medicaid regulations, policies and guidelines, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto. Claims that are not submitted within these timeframes may not be reimbursed.

28. Provide complete documentation to the HCA, when requested, to support direct and administrative claims submitted to the HCA, in accordance with federal and state Medicaid regulations, the Provider Participation Agreement, applicable CMS directives, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto.

29. Retain complete documentation to support all claims submitted for direct services and allowable administrative costs for at least six (6) years from the date of creation or until ongoing audit issues are resolved, whichever is later, in accordance with the requirements of the Medicaid Provider Participation Agreement.

30. Cooperate with HCA and/or CMS staff in conducting audits of the Contractor's direct services and administrative claims. Make available to the HCA and/or CMS all requested documents and personnel for the audit. Respond timely and in writing to the HCA's Report of Audit Findings. Develop and implement a Corrective Action Plan if requested by HCA. Any recoupment of claims resulting from the audit may be effected by direct payment or offset against the Contractor's future direct and/or administrative claims.

31. Certify in writing to the HCA that sufficient funds are available to pay the Contractor's non-federal share, as calculated by CMS, of the Medicaid administrative reimbursements paid to the Contractor for the preceding quarter.

32. Certify in writing to the HCA that sufficient funds are available to pay the Contractor's non-federal share, as calculated by HCA, of the Medicaid direct service reimbursements paid to the Contractor for the preceding year.

III. PAYMENT

The HCA shall:

A. Direct Service Claims

1. Instruct its Medicaid Fiscal Intermediary to process all direct service claims submitted by the Contractor in accordance with federal and state Medicaid regulations, policies and guidelines, in the form and manner set forth by the HCA.

2. Process direct medical service claims as follows:

a. Make all approved reimbursements to the Contractor at the Medicaid approved rates.

b. Process a quarterly adjustment in the Medicaid Management Information System (MMIS) to adjust for any non-federal share of the approved reimbursements that was paid to the Contractor in the previous quarter. Overpayments will be deducted from future direct services payments to the Contractor.

c. Consider all approved reimbursements to the Contractor as "interim" payments. Upon completion of the annual cost report, reconcile the reported Medicaid allowable costs/expenditures with the interim payments made to the Contractor as follows:

   i. If the Contractor's interim payments exceed the actual, certified costs for Medicaid-covered services, invoice the Contractor for the amount of the federal share of the overpayment.

   ii. If the actual, certified costs for Medicaid-covered services exceed the interim payments, pay the Contractor the difference between interim payments and the annual cost report.

   iii. Process an adjustment to account for any non-federal share of the cost settlement paid to the contractor.

d. Reimburse allowable direct service claims only if the Contractor has certified in writing that sufficient funds are available to pay the non-federal share of the Medicaid direct service reimbursements paid to the Contractor for the preceding year.

3. Reimburse the Contractor when it is determined that HCA, or its Medicaid Fiscal Intermediary, is responsible for an error in processing and/or payment of a direct service claim. Such determinations will be made by the HCA or, when appropriate, through the dispute resolution process set forth in Section 32 above. Reimbursements may be made by direct payment to the Contractor, or by credit against monies owed to the HCA by the Contractor.

4. On an annual basis, invoice the Contractor an administrative fee for the Random Moment Sampling and Direct Medical Services Cost Reporting costs as calculated by the HCA. The administrative fee amount for each school district will be based on their percentage of direct services claims averaged for the three previous fiscal years.

B. Administrative Claims

1. Reimburse **Insert School Name** administrative costs in an amount not to exceed **the amount indicated in Section 2. Compensation above** for this GSA.

2. Process all allowable administrative claims submitted by the Contractor in accordance with federal and state Medicaid regulations, policies and guidelines, in the form and manner set forth by the HCA.

3. Make all approved reimbursements to the Contractor at the Medicaid approved rates.

4. Reimburse allowable administrative claims only if the Contractor has certified in writing that sufficient funds are available to pay the non-federal share of the Medicaid administrative reimbursements paid to the Contractor for the preceding quarter.

5. Reimburse the Contractor when it is determined that the HCA is responsible for an error in processing that result in underpayment of an administrative claim. Such determinations will be made by the HCA or, when appropriate, through the dispute resolution process set forth in Section 32 above. Reimbursements may be made by direct payment to the Contractor, or by credit against monies owed to the HCA by the Contractor.

6. On an annual basis, invoice the Contractor an administrative fee for the Random Moment Sampling and Administrative Claiming costs as calculated by the HCA. The administrative fee amount for each school district will be based on their percentage of administrative claims averaged for their three previous years of administrative claims.

IV. THE CONTRACTOR shall

A. Direct Service Claims

1. Prepare and submit direct service claims to the HCA's Medicaid Fiscal Intermediary for all Medicaid reimbursable direct services provided to Medicaid eligible children and youth with IEPs or IFSPs, a Section 504 Accommodation Plan pursuant to 34 C.F.R. 104 Subpart D, an Individual Health Care Plan, or are otherwise medically necessary as appropriate for each covered service, within 120 days from the date of service in accordance with federal and state Medicaid regulations, policies and guidelines, and the *New Mexico Medicaid Guide for School-Based Services* and any revisions thereto.

2. Ensure that a complete audit trail exists to support claims and invoices and retain all supporting records and documents for at least six (6) years from the date of creation or until ongoing audit issues are settled, whichever is later, as required by the Medicaid Provider Participation Agreement.

3. Refund to the HCA any payments made to the Contractor for direct service claims that are disallowed by CMS or the HCA within forty-five (45) days from the date of notice of disallowance from HCA. Such refunds may be made by direct payment to the HCA or by offset against future direct and/or administrative claims submitted by the Contractor**.** The HCA may initiate procedures to recover any refunds not made to the HCA within forty-five (45) days from the date of notice of disallowance from the HCA.

4. Complete the CMS approved annual cost report and certify in writing that an appropriate level of state and/or local funds were utilized during the fiscal year to pay for total computable allowable expenditures for direct medical services in accordance with 42 CFR 433.51, thus qualifying for the federal match to be provided by HCA.

    a. Utilize the online document storage capacity of the current RMTS, administrative claiming and cost settlement vendor to store all financial documentation that was utilized by the contractor to complete the annual cost settlement report. This documentation should be uploaded to the online site before HCA will consider the claim completed and approve for payment.

5. Transfer to the HCA, within thirty (30) days of receipt of the invoice from the HCA, the administrative fee for the Random Moment Time Study and Direct Medical Services Cost Reporting Services. The fee is calculated by taking average of the district's last three years of reimbursements and dividing by the total average reimbursement for the state; this equals the district's percentage of total reimbursements. The district's percentage is then multiplied by the total cost of conducting random moment sampling and direct service cost reporting. The administrative fee will fluctuate annually based on the number of districts participating in direct service claiming and annual amounts will be provided with the invoice.

B. Administrative Claims

1. Prepare and submit claims to the HCA for all allowable administrative costs within forty five (45) days after the end of the billing quarter, with the exception of the quarter ending June 30, for which claims must be received no later than ten (10) days after the end of that quarter, in accordance with federal and state Medicaid regulations, policies and guidelines, the CMS *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming, 2023*, and the *New Mexico Medicaid Guide for School-Based Services*, and any federal and state revisions thereto, and certify in writing that sufficient funds are available to pay the non-federal share of the Medicaid administrative reimbursements paid to the Contractor for the preceding quarter.

    a. Utilize the online document storage capacity of the current RMTS, administrative claiming and cost settlement vendor to store all financial documentation that was utilized by the contractor to complete the quarterly administrative claims. This documentation should be uploaded to the online site before HCA will consider the claim(s) completed and approve for payment.

    b. Any requests for extensions must be received, in writing, prior to 4:00 PM on the designated due date as published in the NM MAC Program Calendar. HCA reserves the right to reject any invoices that are received after the stated deadline.

2. Ensure that a complete audit trail exists by retaining all supporting records and documents for at least six (6) years from the date of creation or until ongoing audit

issues are settled, whichever is later, as required by the Medicaid Provider Participation Agreement.

3. Refund to the Agency any payments made to the Contactor for administrative claims that are disallowed by CMS. Such refunds may be made by direct payment to the HCA or by offset against future direct and/or administrative claims submitted by the Contractor.

4. Transfer to the HCA, within thirty (30) days of receipt of the invoice from the HCA, the administrative fee for the Administrative Claiming services. The fee is calculated by taking the average of the district's last three years of reimbursements and dividing by the total average reimbursement for the state; this equals the district's percentage of total reimbursements. The district's percentage is then multiplied by the total cost of conducting random moment sampling and administrative claiming. The administrative fee will fluctuate annually based on the number of districts participating in administrative claiming and annual amounts will be provided with the invoice.