

Purchase-of-Service Agreement

HEALTH CARE SERVICES

NON EMERGENCY MEDICAL TRANSPORTATION

Le Sueur County Human Services, 88 S Park Avenue, Le Center, Minnesota, 56057 hereafter referred to as the "Agency," and Patron Companies DBA Patron Transportation, 6975 Saukview Drive, Suite 100, Saint Cloud, Minnesota, 56303, hereafter referred to as the "Contractor," enter into this agreement for the period from January 1, 2021, to December 31, 2021.

WITNESSETH

WHEREAS, the Contractor is an organization duly qualified and willing to provide non-emergency medical transportation services to people eligible for medical assistance (non-PMAP) needing transportation to/from medical appointments;

WHEREAS, the Agency, pursuant to Minnesota Statutes, Section 256B.0625, Subdivision 17 & 18, wishes to purchase such services from the Contractor; and

NOW, THEREFORE, in consideration of the mutual understandings and agreements set forth, the Agency and Contractor agree as follows:

I. CONTRACTOR'S DUTIES

- A. The Agency agrees to purchase and the Contractor agrees to furnish the following services consistent with their mission:
 - 1. Non-emergency medical unassisted (mode 3) and assisted (mode 4) transportation services to fee-for-service Medical Assistance Program recipients.
- B. Upon request, the Contractor agrees to provide:
 - 1. An explicit description of the services to be provided;
 - 2. Driver program guidelines;
 - 3. Program content; and
 - 4. Program budget.
- C. The Contractor must, within ten (10) days, notify the Agency in writing whenever it is unable to, or going to be unable to, provide the required quality or quantity of purchased services. Upon such notification, the Agency must determine whether such inability will require modification or cancellation of said agreement.
- D. In connection with work under this agreement, the Contractor agrees to provide language assistance services to applicants and eligible recipients with limited English proficiency as required by Title VI of the Civil Rights Act of 1964. Such assistance shall be given free of charge and in a timely manner to the eligible recipient during all hours of operation.
- E. The Contractor must comply with the operating standards as defined in Minnesota Statutes 174.29, 174.30 and Minnesota Rules, Chapter 8840. They must obtain and maintain MNDOT certification and complete background studies in accordance with the law.

II- COST AND DELIVERY OF PURCHASED SERVICES

- A. The cost for providing services to eligible fee-for-service clients must not exceed the maximum reimbursement rates established by the Minnesota Department of Human Services.
- B. The Contractor certifies that the services to be provided under this agreement are not otherwise available without cost to eligible clients. The Contractor further certifies that payment claims for purchased services will be in accordance with rates of payment which do not exceed amounts reasonable and necessary to assure quality of service. The Contractor further certifies that rates of payment do not reflect any administrative or program costs assignable to private-pay or third-party-pay.

service recipients.

III. ELIGIBILITY FOR SERVICES

The parties understand and agree that the eligibility of the client to receive the purchased services is to be determined in accordance with eligibility criteria established by the Agency, following state Health Care Program guidelines. The parties understand and agree that the Agency must determine preliminary and final client eligibility. The Contractor must not charge any program or service fee to eligible clients.

IV. PAYMENT FOR PURCHASED SERVICES

- A. Certification of expenditures: The Contractor must, within fifteen (15) working days following the last day of each calendar month, submit a standard invoice for transportation services purchased to Agency. The invoice must show:
 - 1. An itemized account for each MA eligible individual, identifying service(s) provided, number of units, cost per unit, and dates of service.
- B. Payment: The Agency must, within thirty (30) days of the date of receipt of the invoice, make payment to the Contractor for all eligible clients and services identified on the invoice.

AUDIT AND RECORD DISCLOSURES

The Contractor must:

- A. Send the following financial, statistical, and social services reports to the Agency as requested:
 - 1. Total number of miles driven for state Health Care Program population.
 - 2. Any and all documentation as required under Minnesota Statutes, Section 256B.0625, subdivision 17b.
- B. Allow personnel of the Agency, the Minnesota Department of Human Services, and the U.S. Department of Health and Human Services access to the Contractor's facility and records at reasonable hours to exercise their responsibility to monitor purchased services.
- C. Maintain all records pertaining to the agreement for four (4) years for audit purposes.

VI. SAFEGUARD OF CLIENT INFORMATION

- A. The use or disclosure by any party of information concerning an eligible client in violation of any rule of confidentiality provided for in Minnesota Statutes, Chapter 13, or for any purpose not directly connected with the Agency's or Contractor's responsibility with respect to the purchased services hereunder is prohibited except on written consent of such eligible client, the client's attorney, or the client's responsible parent or guardian.
- B. The Agency is a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). To the extent that the Contractor performs a function or activity involving the use of "protected health information" (45 CFR section 164.501), on behalf of the Agency including, but not limited to: providing health care services; health care claims processing or administration; data analysis, processing, or administration; utilization review; quality assurance; billing; benefit management; practice management; repricing; or otherwise provided by 45 CFR section 160.103, the Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-164), (collectively referred to as "HIPAA"), and all applicable requirements.

VII. FAIR HEARING AND GRIEVANCE PROCEDURE

The Agency agrees to provide for a fair hearing and grievance procedure in conformance with Minnesota Statutes, Section 256.045, and in conjunction with fair hearing and grievance procedures established by the Department of Human Services administrative rules.

VIII. INDEMNITY. INSURANCE. AND AUDIT CLAUSE

A. Indemnity: The Contractor agrees that it will at all times defend, indemnify and hold harmless the Agency from any and all liability, loss, damages, costs, and expenses which the Agency may hereafter sustain, incur, or be required to pay:

1. By reason of any applicant or eligible person suffering personal injury, death, or property loss or damage either while participating in or receiving the care and services to be furnished under this Contract, or while on premises owned, leased, or operated by the Contractor, or while being transported to or from said premises in any vehicle owned, operated, leased, chartered, or otherwise contracted for by the Contractor or any officer, agent, or employee thereof: or
2. By reason of any applicant or eligible person causing injury to or damage to the property of another person during any time when the Contractor or any officer, agent, or employee thereof has undertaken or is furnishing the care and services called for under this Contract; or
3. By reason of any negligent act or omission or intentional act of the Contractor, its agents, officers, or employees which causes bodily injury, death, personal injury, property loss, or damage to another during the performance of purchased services under this Contract.

B. Insurance:

The Contractor further agrees, in order to protect itself as well as the Agency, and other Financially Responsible Agencies under the indemnity contract provision set forth above, it's officers, agents, employees, and servants as Additional Insured, but only insofar as the operations under this contract. It will at all times during the term of the Contract, and beyond such term when so required, have and keep in force a general liability insurance policy. Any Insurance required to be provided by the Contractor shall be primary, and not excess, to any other coverage carried by the Agency. The selected insurance company of the Contractor must be acceptable to the Agency. The Contractor is responsible for any deductible or self- insured retention contained within the insurance program.

1. The Contractor will purchase occurrence-based liability insurance. The policy shall include coverage for all applicable liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under a contract. An umbrella liability policy may be used in conjunction with the primary coverage limits to meet the minimum limit requirements for each coverage. The County should be listed as an additional insured.
2. The applicable liability insurance coverage will meet the limits as shown below or be of equal to the tort liability limits under Minnesota Statutes, Section 3.736, Subd. 4, whichever is greater:
 - a. Commercial General Liability Coverage
 - \$3,000,000.00 for general aggregate coverage
 - \$1,500,000.00 for each occurrence
 - \$1,500,000.00 for personal injury and advertising injury
 - b. Auto liability coverage of \$1,500,000.00 per occurrence. Auto coverage should include any auto, including hired and non-owned.
 - c. Worker's Compensation and employer's liability coverage: Worker's Compensation limits are to be statutory per applicable state and federal laws. Minimum employer's liability coverage:
 - Bodily injury by accident: \$500,000.00 each accident
 - Bodily injury by disease: \$500,000.00 each employee
 - Bodily injury by disease: \$500,000.00 policy limit
3. The Agency must be listed as an additional insured, and shall be sent a current, appropriately signed certificate of insurance on an annual basis. The certificate should identify the Agency as an additional insured for relevant coverages, except Worker's Compensation. The certificate must show that the Agency will receive sixty (60) calendar days' prior written notice in the event of cancellation, nonrenewal, or material change in the described policy.

4. If the Contractor is unable to obtain the required insurance coverage, or if the coverage is cancelled during the term of this Agreement, the Contractor must notify the Agency contract manager (or the contract manager's designee) by telephone or e-mail the same business day as the Contractor receives notice of cancellation or inability to obtain coverage. The Contractor shall also provide written notice to the Agency contract manager within five (5) business days. The Contractor shall make immediate good faith efforts to obtain or replace the coverage in the open market. If such efforts are unsuccessful, the Contractor shall apply to the Minnesota Joint Underwriting Association for the insurance coverage. Failure to maintain required insurance coverage shall be considered an event of default pursuant to this Agreement.

IX. CONTRACTOR DEBARMENT, SUSPENSION, AND RESPONSIBILITY CERTIFICATION

Federal Regulation 45 CFR 92.35 prohibits the Agency from purchasing goods or services with federal money from vendors who have been suspended or debarred by the Federal Government. Similarly, Minnesota Statutes, Section 16C.03, Subdivision 2, provides the Commissioner of Administration with the authority to debar and suspend vendors who seek to contract with the Agency. Vendors may be suspended or debarred when it is determined, through a duly-authorized hearing process, that they have abused the public trust in a serious manner.

By signing this agreement, the Contractor certifies that it and its principals¹ and employees

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state, or local governmental department or agency; and
- B. Have not within a three (3) year period preceding this agreement:
 1. 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) transaction or contract;
 2. Violated any federal or state antitrust statutes; or
 3. Committed embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property; and
- C. Are not presently indicated or otherwise criminally or civilly charged by a governmental entity for:
 1. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state, or local) transaction;
 2. Violating any federal or state antitrust statutes; or
 3. Committing embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements or receiving stolen property; and
- D. Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this agreement are in violation of any of the certifications set forth above.
- E. Shall immediately give written notice to the Agency should Contractor come under investigation and allegations of fraud or a criminal offense in connection with obtaining, or performing a public (federal, state, or local government) transaction;

¹"Principals" for the purposes of this certification means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment; and similar positions).

violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.

X. CONDITIONS OF THE PARTIES' OBLIGATIONS

- A. It is understood and agreed that in the event the reimbursement to the Agency from State and Federal sources is not obtained and continued at a level sufficient to allow for the purchase of the indicated quantity of purchased services, the obligations of each party hereunder must thereupon be terminated.
- B. This agreement may be canceled by either party at any time, with or without cause, upon ninety (90) days' notice, in writing, delivered by mail or in person.
- C. Before the termination date specified, the Agency may evaluate the performance of the Contractor in regard to terms of this agreement to determine whether such performance merits renewal of this agreement.
- D. Any alterations, variations, modifications, or waivers of provisions of this agreement must be valid only when they have been reduced to writing, duly- signed, and attached to the original of this agreement.
- E. No claim for services furnished by the Contractor not specifically provided in the agreement will be allowed by the Agency, nor must the Contractor do any work or furnish any material not covered by the agreement, unless this is approved in writing by the Agency. Such approval must be considered to be a modification of the agreement.
- F. In the event that there is a revision of federal regulations which might make this agreement ineligible for federal financial participation, all parties will review the agreement and renegotiate those items necessary to bring the agreement into compliance with the new federal regulations.

XI. SUBCONTRACTING

- A. The Contractor agrees not to enter into subcontracts for any of the work contemplated under this agreement without written approval of the Agency.
- B. All subcontractors must be subject to and must meet all of the requirements of this agreement.
- C. The Contractor must ensure that any and all subcontractors to provide services under this agreement must agree in writing to the following language:

The subcontractor acknowledges and agrees that the Minnesota Department of Human Services is a third-party beneficiary and, as a third-party beneficiary, is an affected party under this contract. The subcontractor specifically acknowledges and agrees that the Minnesota Department of Human Services has standing to and may take any appropriate administrative action or may sue the provider for any appropriate relief in law or equity, including but not limited to rescission, damages, or specific performance, of all or any part of the contract. Minnesota Department of Human Services is entitled to and may recover from the provider reasonable attorney's fees, costs, and disbursements associated with any action taken under this paragraph that is successfully maintained. This provision must not be construed to limit the rights of any party to the contract or any other third-party beneficiary, nor must it be construed as a waiver of immunity under the Eleventh Amendment of the United States Constitution or any other waiver or immunity.

D. The Contractor agrees to be responsible for the performance of any subcontractor to ensure compliance to the subcontract and Minnesota Rules, Part 9525.1870, Subpart 3.

XII.

NONCOMPLIANCE

A. If the Contractor fails to comply with the provisions of this agreement, the Agency may seek any available legal remedy.

B. Either party must notify the other party within thirty (30) days when a party has reasonable grounds to believe that this agreement has been or will be breached in a material manner. The party receiving such notification must have thirty (30) days, or any other such period of time as mutually agreed to by the parties, to cure the breach or anticipatory breach.

XIII.

MISCELLANEOUS

The contractor acknowledges and agrees that the Minnesota Department of Human Services is a third-party beneficiary and, as third-party beneficiary, is an affected party under this agreement. The Contractor specifically acknowledges and agrees that the Minnesota Department of Human Services has standing to and may take any appropriate administrative action or may sue the Contractor for any appropriate relief in law or performance of all or any part of the agreement between the County Agency Board and the Contractor. The Contractor specifically acknowledges that the County Agency Board and the Minnesota Department of Human Services are entitled to and may recover from the Contractor reasonable attorney's fees and costs and disbursements associated with any action taken under this paragraph and that is successfully maintained. This provision must not be construed to limit the rights of any party to the agreement of any other third- party beneficiary, nor must it be construed as a waiver of immunity under the Eleventh Amendment to the United States Constitution or any other waiver of immunity.

XIV.

ENTIRE AGREEMENT

It is understood and agreed that the entire agreement of the parties is contained herein and this contract supersedes all oral agreements and negotiations between the parties relating to the subject matter thereof.

IN WITNESS WHEREOF, the Agency and the Contractor have executed this Agreement as of the day and year first above-written:

Dated: _____

Chairperson, Le Sueur County Board

Dated: _____

Attest: _____
Le Sueur County Attorney

Dated: _____

Human Services Director
Le Sueur County Human Services

Dated: _____

Ben T. Warne, Chief Executive Officer