



# WASHOE COUNTY

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CM/ACM   
Comptroller   
DA   
Risk Mgt.   
HR   
Grant Mgt.

## STAFF REPORT

BOARD MEETING DATE: August 23, 2016

**DATE:** August 3, 2016  
**TO:** Board of County Commissioners  
**FROM:** Amber Howell, Director, Department of Social Services  
[Ahowell@washoecounty.us](mailto:Ahowell@washoecounty.us) (775) 785-8600

**THROUGH:** Kevin Schiller, Assistant County Manager

**SUBJECT:** Accept a Sub-grant Award from the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health upon approval by all parties through June 30, 2017 for [\$70,000.00], no County match required, to provide substance abuse treatment services to clients referred by the county Social Services Department. Authorize the Department to execute the Sub-grant Award and direct the Comptroller's Office to make the necessary budget amendments.  
(All Commission Districts)

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### SUMMARY

The Department is requesting the Board accept a Sub-grant Award from the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health upon approval by all parties through June 30, 2017 for [\$70,000.00], no County match required, to provide substance abuse treatment services to clients referred by the county Social Services Department.

Services will include contracting with Substance Abuse Prevention & Treatment Agency (SAPTA) certified providers to serve all clients referred by the county for substance use disorder treatment services that include women involved with Child Protective Services due do substance use issues.

**Strategic Objective supported by this item:** Safe, Secure and Healthy Communities.

### PREVIOUS ACTION

There has been no previous action taken by the Board in regards to this Sub-Grant.

AGENDA ITEM # 5.K.3.

## **BACKGROUND**

Washoe County Social Services Department has a long history of working with the Family Drug Court and providing service through Bristlecone Family Resources and Step 2 since 2002-03. The Family Drug Court was established by the 2<sup>nd</sup> Judicial District Court in 1995, along with the Adult Drug Court program and the Juvenile Drug court. Family Drug Court serves parents whose children have been placed into the child welfare system by the Washoe County Department of Social Services due to child abuse and/or neglect related to substance abuse. These programs focus on ensuring clean and sober parenting with the goal of family reunification.

A national evaluation of four Family Drug Courts, completed in March, 2007, documented our Family Drug Court's success in increasing the length of stay and completion of treatment services, a reduction in the number of days spent in out-of-home placements, and an increase in the percentage of children reunified with their mothers.

The Department will collect and report data regarding total clients referred and services provided and shall include various levels of care such as, outpatient, intensive outpatient, Low-Intensity Residential Care, Opioid Treatment Program, and withdrawal management. All data submitted will comply with the Treatment Episode Data Set (TEDS) reporting requirements.

## **GRANT AWARD SUMMARY**

**Project/Program Name:** Behavioral Health, Prevention & Treatment (BHPT)  
Medical Marijuana Sub-grant.

**Scope of the Project:** To provide substance abuse treatment services to clients referred by the county Social Services Department.

**Benefit to Washoe County Residents:** *Enhanced safety and well-being.*

**On-Going Program Support:** This grant may be extended.

**Award Amount:** [\$ 70,000]

**Grant Period:** Upon approval by all parties *through September 30, 2017*

**Funding Source:** Behavioral Health, Prevention & Treatment - State Medical Marijuana Funds

**Pass Through Entity:** *State of Nevada Department of Health and Human Services, Division of Public and Behavioral Health, Behavioral Health*

**CFDA Number:** N/A

**Grant ID Number:** HD# 15627

**Match Amount and Type:** *There is no required matching contribution.*

**Sub-Awards and Contracts:** *It is anticipated that a sub-contract will be awarded to BHPT (SAPTA) certified providers through a Request for Proposal process.*

**FISCAL IMPACT**

Should the board accept this grant award and approve these amendments, the Department's FY17 adopted budget will be increased by [\$70,000] in both revenues and expenditures in the following accounts:

Cost Object	G/L Account	Amount
IO # TBD	432100 -State Grant Revenue	\$ 70,000
IO# TBD	710100 -Contractual/Consultant	\$ 70,000

No indirect costs are awarded under this funding.

**RECOMMENDATION**

Accept a Sub-grant Award from the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health upon approval by all parties through June 30, 2017 for [\$70,000.00], no County match required, to provide substance abuse treatment services to clients referred by the county Social Services Department. Authorize the Department to execute the Sub-grant Award and direct the Comptroller's Office to make the necessary budget amendments.

**POSSIBLE MOTION**

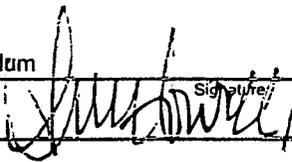
Should the Board agree with staff's recommendation, a possible motion would be: "Move to accept a Sub-grant Award from the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health upon approval by all parties through June 30, 2017 for [\$70,000.00], no County match required, to provide substance abuse treatment services to clients referred by the county Social Services Department. Authorize the Department to execute the Sub-grant Award and direct the Comptroller's Office to make the necessary budget amendments".



State of Nevada  
 Department of Health and Human Services  
**Division of Public & Behavioral Health**  
 (hereinafter referred to as the Division)

HD #: 15627  
 Budget \_\_\_\_\_  
 Account: 3170  
 Category: 50  
 GL: 8516  
 Job Number: MEDMARRG

**NOTICE OF SUBGRANT AWARD**

<b>Program Name:</b> Behavioral Health, Prevention & Treatment Division of Public and Behavioral Health		<b>Subgrantee Name:</b> Washoe County Social Services Amber Howell, Director	
<b>Address:</b> 4126 Technology Way, Suite 200 Carson City, NV 89706-2009		<b>Address:</b> P.O. Box 11130 Reno, NV 89502 - 0027	
<b>Subgrant Period:</b> Upon approval by all parties through June 30, 2017.		<b>Subgrantee's:</b> EIN: <u>88-6000138</u> Vendor #: <u>T40283400A</u> Dun & Bradstreet: <u>12-859-9425</u>	
<b>Purpose of Award:</b> To provide substance abuse treatment services to clients referred by the county social services.			
<b>Region(s) to be served:</b> <input type="checkbox"/> Statewide <input checked="" type="checkbox"/> Specific county or counties: Washoe County			
<b>Approved Budget Categories:</b>		<b>Disbursement of funds will be as follows:</b>	
1. Personnel \$ _____ 2. Travel \$ _____ 3. Operating \$ _____ 4. Equipment \$ _____ 5. Contractual/Consultant \$ <u>70,000</u> 6. Training \$ _____ 7. Other \$ _____ <b>Total Cost: \$ <u>70,000</u></b>		Payment will be made upon receipt and acceptance of an invoice and supporting documentation specifically requesting reimbursement for actual expenditures <i>specific to this subgrant</i> . Total reimbursement will not exceed \$70,000 during the subgrant period.	
<b>Source of Funds:</b>	<b>% Funds:</b>	<b>CFDA:</b>	<b>FAIN:</b>
1. State Medical Marijuana Money	100%	N/A	N/A
<b>Federal Grant #:</b> N/A			
<b>Terms and Conditions:</b> In accepting these grant funds, it is understood that: 1. Expenditures must comply with appropriate state and/or federal regulations; 2. This award is subject to the availability of appropriate funds; and 3. The recipient of these funds agrees to stipulations listed in the incorporated documents.			
<b>Incorporated Documents:</b> Section A: Assurances; Section B: Description of Services, Scope of Work and Deliverables; Section C: Budget and Financial Reporting Requirements; Section D: Request for Reimbursement; Section E: Audit Information Request; and Section F: DPBH Business Associate Addendum			
Amber Howell, Director	 Signature		<u>7/27/16</u> Date
Martie Washington Program Manager			
Kyle Devine Bureau Chief			
for Cody L. Phinney, MPH Administrator, Division of Public & Behavioral Health			

DIVISION OF PUBLIC AND BEHAVIORAL HEALTH  
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SECTION F

Business Associate Addendum

BETWEEN

Nevada Division of Public and Behavioral Health

Hereinafter referred to as the "Covered Entity"

and

Washoe County Social Services  
Vendor Name  
Hereinafter referred to as the "Business Associate"

**PURPOSE.** In order to comply with the requirements of HIPAA and the HITECH Act, this Addendum is hereby added and made part of the agreement between the Covered Entity and the Business Associate. This Addendum establishes the obligations of the Business Associate and the Covered Entity as well as the permitted uses and disclosures by the Business Associate of protected health information it may possess by reason of the agreement. The Covered Entity and the Business Associate shall protect the privacy and provide for the security of protected health information disclosed to the Business Associate pursuant to the agreement and in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-5 ("the HITECH Act"), and regulation promulgated there under by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.

**WHEREAS,** the Business Associate will provide certain services to the Covered Entity, and, pursuant to such arrangement, the Business Associate is considered a business associate of the Covered Entity as defined in HIPAA, the HITECH Act, the Privacy Rule and Security Rule; and

**WHEREAS,** Business Associate may have access to and/or receive from the Covered Entity certain protected health information, in fulfilling its responsibilities under such arrangement; and

**WHEREAS,** the HIPAA Regulations, the HITECH Act, the Privacy Rule and the Security Rule require the Covered Entity to enter into an agreement containing specific requirements of the Business Associate prior to the disclosure of protected health information, as set forth in, but not limited to, 45 CFR Parts 160 & 164 and Public Law 111-5.

**THEREFORE,** in consideration of the mutual obligations below and the exchange of information pursuant to this Addendum, and to protect the interests of both Parties, the Parties agree to all provisions of this Addendum.

- I. **DEFINITIONS.** The following terms shall have the meaning ascribed to them in this Section. Other capitalized terms shall have the meaning ascribed to them in the context in which they first appear.
1. **Breach** means the unauthorized acquisition, access, use, or disclosure of protected health information which compromises the security or privacy of the protected health information. The full definition of breach can be found in 42 USC 17921 and 45 CFR 164.402.
  2. **Business Associate** shall mean the name of the organization or entity listed above and shall have the meaning given to the term under the Privacy and Security Rule and the HITECH Act. For full definition refer to 45 CFR 160.103.
  3. **CFR** stands for the Code of Federal Regulations.
  4. **Agreement** shall refer to this Addendum and that particular agreement to which this Addendum is made a part.
  5. **Covered Entity** shall mean the name of the Division listed above and shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to 45 CFR 160.103.
  6. **Designated Record Set** means a group of records that includes protected health information and is maintained by or for a covered entity or the Business Associate that includes, but is not limited to, medical, billing, enrollment, payment, claims adjudication, and case or medical management records. Refer to 45 CFR 164.501 for the complete definition.
  7. **Disclosure** means the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information as defined in 45 CFR 160.103.

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8. **Electronic Protected Health Information** means individually identifiable health information transmitted by electronic media or maintained in electronic media as set forth under 45 CFR 160.103.
9. **Electronic Health Record** means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. Refer to 42 USC 17921.
10. **Health Care Operations** shall have the meaning given to the term under the Privacy Rule at 45 CFR 164.501.
11. **Individual** means the person who is the subject of protected health information and is defined in 45 CFR 160.103.
12. **Individually Identifiable Health Information** means health information, in any form or medium, including demographic information collected from an individual, that is created or received by a covered entity or a business associate of the covered entity and relates to the past, present, or future care of the individual. Individually identifiable health information is information that identifies the individual directly or there is a reasonable basis to believe the information can be used to identify the individual. Refer to 45 CFR 160.103.
13. **Parties** shall mean the Business Associate and the Covered Entity.
14. **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 CFR Parts 160 and 164, Subparts A, D and E.
15. **Protected Health Information** means individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. Refer to 45 CFR 160.103 for the complete definition.
16. **Required by Law** means a mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. This includes, but is not limited to: court orders and court-ordered warrants; subpoenas, or summons issued by a court; and statutes or regulations that require the provision of information if payment is sought under a government program providing public benefits. For the complete definition refer to 45 CFR 164.103.
17. **Secretary** shall mean the Secretary of the federal Department of Health and Human Services (HHS) or the Secretary's designee.
18. **Security Rule** shall mean the HIPAA regulation that is codified at 45 CFR Parts 160 and 164 Subparts A and C.
19. **Unsecured Protected Health Information** means protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in the guidance issued in Public Law 111-5. Refer to 42 USC 17932 and 45 CFR 164.402.
20. **USC** stands for the United States Code.

**II. OBLIGATIONS OF THE BUSINESS ASSOCIATE.**

1. **Access to Protected Health Information.** The Business Associate will provide, as directed by the Covered Entity, an individual or the Covered Entity access to inspect or obtain a copy of protected health information about the Individual that is maintained in a designated record set by the Business Associate or, its agents or subcontractors, in order to meet the requirements of the Privacy Rule, including, but not limited to 45 CFR 164.524 and 164.504(e) (2) (ii) (E). If the Business Associate maintains an electronic health record, the Business Associate or, its agents or subcontractors shall provide such information in electronic format to enable the Covered Entity to fulfill its obligations under the HITECH Act, including, but not limited to 42 USC 17935.
2. **Access to Records.** The Business Associate shall make its internal practices, books and records relating to the use and disclosure of protected health information available to the Covered Entity and to the Secretary for purposes of determining Business Associate's compliance with the Privacy and Security Rule in accordance with 45 CFR 164.504(e)(2)(ii)(H).
3. **Accounting of Disclosures.** Promptly, upon request by the Covered Entity or individual for an accounting of disclosures, the Business Associate and its agents or subcontractors shall make available to the Covered Entity or the individual information required to provide an accounting of disclosures in accordance with 45 CFR 164.528, and the HITECH Act, including, but not limited to 42 USC 17935. The accounting of disclosures, whether electronic or other media, must include the requirements as outlined under 45 CFR 164.528(b).
4. **Agents and Subcontractors.** The Business Associate must ensure all agents and subcontractors to whom it provides protected health information agree in writing to the same restrictions and conditions that apply to the Business Associate with respect to all protected health information accessed, maintained, created, retained, modified, recorded, stored, destroyed, or otherwise held, transmitted, used or disclosed by the agent or subcontractor. The Business Associate must implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation as outlined under 45 CFR 164.530(f) and 164.530(e)(1).
5. **Amendment of Protected Health Information.** The Business Associate will make available protected health information for amendment and incorporate any amendments in the designated record set maintained by the

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Business Associate or, its agents or subcontractors, as directed by the Covered Entity or an individual, in order to meet the requirements of the Privacy Rule, including, but not limited to, 45 CFR 164.526.

6. **Audits, Investigations, and Enforcement.** The Business Associate must notify the Covered Entity immediately upon learning the Business Associate has become the subject of an audit, compliance review, or complaint investigation by the Office of Civil Rights or any other federal or state oversight agency. The Business Associate shall provide the Covered Entity with a copy of any protected health information that the Business Associate provides to the Secretary or other federal or state oversight agency concurrently with providing such information to the Secretary or other federal or state oversight agency. The Business Associate and individuals associated with the Business Associate are solely responsible for all civil and criminal penalties assessed as a result of an audit, breach, or violation of HIPAA or HITECH laws or regulations. Reference 42 USC 17937.
7. **Breach or Other Improper Access, Use or Disclosure Reporting.** The Business Associate must report to the Covered Entity, in writing, any access, use or disclosure of protected health information not permitted by the agreement, Addendum or the Privacy and Security Rules. The Covered Entity must be notified immediately upon discovery or the first day such breach or suspected breach is known to the Business Associate or by exercising reasonable diligence would have been known by the Business Associate in accordance with 45 CFR 164.410, 164.504(e)(2)(ii)(C) and 164.308(b) and 42 USC 17921. The Business Associate must report any improper access, use or disclosure of protected health information by: the Business Associate or its agents or subcontractors. In the event of a breach or suspected breach of protected health information, the report to the Covered Entity must be in writing and include the following: a brief description of the incident; the date of the incident; the date the incident was discovered by the Business Associate; a thorough description of the unsecured protected health information that was involved in the incident; the number of individuals whose protected health information was involved in the incident; and the steps the Business Associate is taking to investigate the incident and to protect against further incidents. The Covered Entity will determine if a breach of unsecured protected health information has occurred and will notify the Business Associate of the determination. If a breach of unsecured protected health information is determined, the Business Associate must take prompt corrective action to cure any such deficiencies and mitigate any significant harm that may have occurred to individual(s) whose information was disclosed inappropriately.
8. **Breach Notification Requirements.** If the Covered Entity determines a breach of unsecured protected health information by the Business Associate has occurred, the Business Associate will be responsible for notifying the individuals whose unsecured protected health information was breached in accordance with 42 USC 17932 and 45 CFR 164.404 through 164.406. The Business Associate must provide evidence to the Covered Entity that appropriate notifications to individuals and/or media, when necessary, as specified in 45 CFR 164.404 and 45 CFR 164.406 has occurred. The Business Associate is responsible for all costs associated with notification to individuals, the media or others as well as costs associated with mitigating future breaches. The Business Associate must notify the Secretary of all breaches in accordance with 45 CFR 164.408 and must provide the Covered Entity with a copy of all notifications made to the Secretary.
9. **Breach Pattern or Practice by Covered Entity.** Pursuant to 42 USC 17934, if the Business Associate knows of a pattern of activity or practice of the Covered Entity that constitutes a material breach or violation of the Covered Entity's obligations under the Contract or Addendum, the Business Associate must immediately report the problem to the Secretary.
10. **Data Ownership.** The Business Associate acknowledges that the Business Associate or its agents or subcontractors have no ownership rights with respect to the protected health information it accesses, maintains, creates, retains, modifies, records, stores, destroys, or otherwise holds, transmits, uses or discloses.
11. **Litigation or Administrative Proceedings.** The Business Associate shall make itself, any subcontractors, employees, or agents assisting the Business Associate in the performance of its obligations under the agreement or Addendum, available to the Covered Entity, at no cost to the Covered Entity, to testify as witnesses, or otherwise, in the event litigation or administrative proceedings are commenced against the Covered Entity, its administrators or workforce members upon a claimed violation of HIPAA, the Privacy and Security Rule, the HITECH Act, or other laws relating to security and privacy.
12. **Minimum Necessary.** The Business Associate and its agents and subcontractors shall request, use and disclose only the minimum amount of protected health information necessary to accomplish the purpose of the request, use or disclosure in accordance with 42 USC 17935 and 45 CFR 164.514(d)(3).
13. **Policies and Procedures.** The Business Associate must adopt written privacy and security policies and procedures and documentation standards to meet the requirements of HIPAA and the HITECH Act as described in 45 CFR 164.316 and 42 USC 17931.
14. **Privacy and Security Officer(s).** The Business Associate must appoint Privacy and Security Officer(s) whose responsibilities shall include: monitoring the Privacy and Security compliance of the Business Associate; development and implementation of the Business Associate's HIPAA Privacy and Security policies and procedures; establishment of Privacy and Security training programs; and development and implementation of an incident risk assessment and response plan in the event the Business Associate sustains a breach or suspected breach of protected health information.

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in accordance with 45 CFR 164.508 that includes a specification that protected health information can be exchanged for remuneration.

**IV. OBLIGATIONS OF COVERED ENTITY**

1. The Covered Entity will inform the Business Associate of any limitations in the Covered Entity's Notice of Privacy Practices in accordance with 45 CFR 164.520, to the extent that such limitation may affect the Business Associate's use or disclosure of protected health information.
2. The Covered Entity will inform the Business Associate of any changes in, or revocation of, permission by an individual to use or disclose protected health information, to the extent that such changes may affect the Business Associate's use or disclosure of protected health information.
3. The Covered Entity will inform the Business Associate of any restriction to the use or disclosure of protected health information that the Covered Entity has agreed to in accordance with 45 CFR 164.522 and 42 USC 17935, to the extent that such restriction may affect the Business Associate's use or disclosure of protected health information.
4. Except in the event of lawful data aggregation or management and administrative activities, the Covered Entity shall not request the Business Associate to use or disclose protected health information in any manner that would not be permissible under the HIPAA Privacy and Security Rule and the HITECH Act, if done by the Covered Entity.

**V. TERM AND TERMINATION**

1. **Effect of Termination:**
  - a. Except as provided in paragraph (b) of this section, upon termination of this Addendum, for any reason, the Business Associate will return or destroy all protected health information received from the Covered Entity or created, maintained, or received by the Business Associate on behalf of the Covered Entity that the Business Associate still maintains in any form and the Business Associate will retain no copies of such information.
  - b. If the Business Associate determines that returning or destroying the protected health information is not feasible, the Business Associate will provide to the Covered Entity notification of the conditions that make return or destruction infeasible. Upon a mutual determination that return or destruction of protected health information is infeasible, the Business Associate shall extend the protections of this Addendum to such protected health information and limit further uses and disclosures of such protected health information to those purposes that make return or destruction infeasible, for so long as the Business Associate maintains such protected health information.
  - c. These termination provisions will apply to protected health information that is in the possession of subcontractors, agents, or employees of the Business Associate.
2. **Term.** The Term of this Addendum shall commence as of the effective date of this Addendum herein and shall extend beyond the termination of the contract and shall terminate when all the protected health information provided by the Covered Entity to the Business Associate, or accessed, maintained, created, retained, modified, recorded, stored, or otherwise held, transmitted, used or disclosed by the Business Associate on behalf of the Covered Entity, is destroyed or returned to the Covered Entity, or, if it not feasible to return or destroy the protected health information, protections are extended to such information, in accordance with the termination.
3. **Termination for Breach of Agreement.** The Business Associate agrees that the Covered Entity may immediately terminate the agreement if the Covered Entity determines that the Business Associate has violated a material part of this Addendum.

**VI. MISCELLANEOUS**

1. **Amendment.** The parties agree to take such action as is necessary to amend this Addendum from time to time for the Covered Entity to comply with all the requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Public Law No. 104-191 and the Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009, Public Law No. 111-5.
2. **Clarification.** This Addendum references the requirements of HIPAA, the HITECH Act, the Privacy Rule and the Security Rule, as well as amendments and/or provisions that are currently in place and any that may be forthcoming.
3. **Indemnification.** Each party will indemnify and hold harmless the other party to this Addendum from and against all claims, losses, liabilities, costs and other expenses incurred as a result of, or arising directly or indirectly out of or in conjunction with:
  - a. Any misrepresentation, breach of warranty or non-fulfillment of any undertaking on the part of the party under this Addendum; and

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15. **Safeguards.** The Business Associate must implement safeguards as necessary to protect the confidentiality, integrity, and availability of the protected health information the Business Associate accesses, maintains, creates, retains, modifies, records, stores, destroys, or otherwise holds, transmits, uses or discloses on behalf of the Covered Entity. Safeguards must include administrative safeguards (e.g., risk analysis and designation of security official), physical safeguards (e.g., facility access controls and workstation security), and technical safeguards (e.g., access controls and audit controls) to the confidentiality, integrity and availability of the protected health information, in accordance with 45 CFR 164.308, 164.310, 164.312, 164.316 and 164.504(e)(2)(ii)(B). Sections 164.308, 164.310 and 164.312 of the CFR apply to the Business Associate of the Covered Entity in the same manner that such sections apply to the Covered Entity. Technical safeguards must meet the standards set forth by the guidelines of the National Institute of Standards and Technology (NIST). The Business Associate agrees to only use, or disclose protected health information as provided for by the agreement and Addendum and to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate, of a use or disclosure, in violation of the requirements of this Addendum as outlined under 45 CFR 164.530(e)(2)(f).
16. **Training.** The Business Associate must train all members of its workforce on the policies and procedures associated with safeguarding protected health information. This includes, at a minimum, training that covers the technical, physical and administrative safeguards needed to prevent inappropriate uses or disclosures of protected health information; training to prevent any intentional or unintentional use or disclosure that is a violation of HIPAA regulations at 45 CFR 160 and 164, and Public Law 111-5; and training that emphasizes the criminal and civil penalties related to HIPAA breaches or inappropriate uses or disclosures of protected health information. Workforce training of new employees must be completed within 30 days of the date of hire and all employees must be trained at least annually. The Business Associate must maintain written records for a period of six years. These records must document each employee that received training and the date the training was provided or received.
17. **Use and Disclosure of Protected Health Information.** The Business Associate must not use or further disclose protected health information other than as permitted or required by the agreement or as required by law. The Business Associate must not use or further disclose protected health information in a manner that would violate the requirements of the HIPAA Privacy and Security Rule and the HITECH Act.

III. **PERMITTED AND PROHIBITED USES AND DISCLOSURES BY THE BUSINESS ASSOCIATE.** The Business Associate agrees to these general use and disclosure provisions:

1. **Permitted Uses and Disclosures:**
  - a. Except as otherwise limited in this Addendum, the Business Associate may use or disclose protected health information to perform functions, activities, or services for, or on behalf of, the Covered Entity as specified in the agreement, provided that such use or disclosure would not violate the HIPAA Privacy and Security Rule or the HITECH Act, if done by the Covered Entity in accordance with 45 CFR 164.504(e) (2) (i) and 42 USC 17935 and 17936.
  - b. Except as otherwise limited by this Addendum, the Business Associate may use or disclose protected health information received by the Business Associate in its capacity as a Business Associate of the Covered Entity, as necessary, for the proper management and administration of the Business Associate, to carry out the legal responsibilities of the Business Associate, as required by law or for data aggregation purposes in accordance with 45 CFR 164.504(e)(2)(A), 164.504(e)(4)(i)(A), and 164.504(e)(2)(i)(B).
  - c. Except as otherwise limited in this Addendum, if the Business Associate discloses protected health information to a third party, the Business Associate must obtain, prior to making any such disclosure, reasonable written assurances from the third party that such protected health information will be held confidential pursuant to this Addendum and only disclosed as required by law or for the purposes for which it was disclosed to the third party. The written agreement from the third party must include requirements to immediately notify the Business Associate of any breaches of confidentiality of protected health information to the extent it has obtained knowledge of such breach. Refer to 45 CFR 164.502 and 164.504 and 42 USC 17934.
  - d. The Business Associate may use or disclose protected health information to report violations of law to appropriate federal and state authorities, consistent with 45 CFR 164.502(j)(1).
2. **Prohibited Uses and Disclosures:**
  - a. Except as otherwise limited in this Addendum, the Business Associate shall not disclose protected health information to a health plan for payment or health care operations purposes if the patient has required this special restriction, and has paid out of pocket in full for the health care item or service to which the protected health information relates in accordance with 42 USC 17935.
  - b. The Business Associate shall not directly or indirectly receive remuneration in exchange for any protected health information, as specified by 42 USC 17935, unless the Covered Entity obtained a valid authorization,

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IN WITNESS WHEREOF, the Business Associate and the Covered Entity have agreed to the terms of the above written agreement as of the effective date set forth below.

Covered Entity

Division of Public and Behavioral Health  
4150 Technology Way, Suite 300  
Carson City, NV 89706

Phone: (775) 684-5975

Fax: (775) 684-4211

Business Associate

Nashua County Dept. of Social Services  
Business Name

350 Center Street  
Business Address

Reno NV 89502  
Business City, State and Zip Code

775-786-5000  
Business Phone Number

775-785-5640  
Business Fax Number

\_\_\_\_\_  
Authorized Signature

for Cody L. Phinney, MPH  
Print Name

Administrator,  
Division of Public and Behavioral Health

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Amber Howell  
Authorized Signature

Amber Howell  
Print Name

Director  
Title

\_\_\_\_\_  
Title

7/28/16  
Date

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- b. Any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of or in any way connected with the party's performance under this Addendum.
4. **Interpretation.** The provisions of the Addendum shall prevail over any provisions in the agreement that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this Addendum shall be resolved to permit the Covered Entity and the Business Associate to comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.
5. **Regulatory Reference.** A reference in this Addendum to a section of the HITECH Act, HIPAA, the Privacy Rule and Security Rule means the sections as in effect or as amended.
6. **Survival.** The respective rights and obligations of Business Associate under Effect of Termination of this Addendum shall survive the termination of this Addendum.

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DIVISION OF PUBLIC AND BEHAVIORAL HEALTH  
NOTICE OF SUBGRANT AWARD

SECTION A

Assurances

As a condition of receiving subgranted funds from the Nevada State Division of Public and Behavioral Health, the Subgrantee agrees to the following conditions:

1. Grant funds may not be used for other than the awarded purpose. In the event Subgrantee expenditures do not comply with this condition, that portion not in compliance must be refunded to the Division.
2. To submit reimbursement requests only for expenditures approved in the spending plan. Any additional expenditure beyond what is allowable based on approved categorical budget amounts, without prior written approval by the Division, may result in denial of reimbursement.
3. Approval of subgrant budget by the Division constitutes prior approval for the expenditure of funds for specified purposes included in this budget. Unless otherwise stated in the Scope of Work the transfer of funds between budgeted categories without written prior approval from the Division is not allowed under the terms of this subgrant. Requests to revise approved budgeted amounts must be made in writing and provide sufficient narrative detail to determine justification.
4. Recipients of subgrants are required to maintain subgrant accounting records, identifiable by subgrant number. Such records shall be maintained in accordance with the following:
  - a. Records may be destroyed not less than three years (unless otherwise stipulated) after the final report has been submitted if written approval has been requested and received from the Administrative Services Officer (ASO) of the Division. Records may be destroyed by the Subgrantee five (5) calendar years after the final financial and narrative reports have been submitted to the Division.
  - b. In all cases an overriding requirement exists to retain records until resolution of any audit questions relating to individual subgrants.

Subgrant accounting records are considered to be all records relating to the expenditure and reimbursement of funds awarded under this subgrant award. Records required for retention include all accounting records and related original and supporting documents that substantiate costs charged to the subgrant activity.

5. To disclose any existing or potential conflicts of interest relative to the performance of services resulting from this subgrant award. The Division reserves the right to disqualify any subgrantee on the grounds of actual or apparent conflict of interest. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of funding.
6. To comply with the requirements of the Civil Rights Act of 1964, as amended, and the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions).
7. To comply with the Americans with Disability Act of 1990, P.L. 101-136, 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999 inclusive and any relevant program-specific regulations
8. To comply with the requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, 45 C.F.R. 160, 162 and 164, as amended. If the subgrant award includes functions or activities that involve the use or disclosure of protected health information (PHI) then the subgrantee agrees to enter into a Business Associate Agreement with the Division as required by 45 C.F.R. 164.504(e). If PHI will not be disclosed then a Confidentiality Agreement will be entered into.
9. Subgrantee certifies, by signing this notice of subgrant award, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pr. 67 § 67.510, as published as pt. VII of May 26, 1988, Federal Register (pp. 19150-19211). This provision shall be required of every subgrantee receiving any payment in whole or in part from federal funds.

**DIVISION OF PUBLIC AND BEHAVIORAL HEALTH  
NOTICE OF SUBGRANT AWARD**

10. Sub-grantee agrees to comply with the requirements of the Title XII Public Law 103-227, the "PRO-KIDS Act of 1994," smoking may not be permitted in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.
11. Whether expressly prohibited by federal, state, or local law, or otherwise, that no funding associated with this subgrant will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:
  - a. Any federal, state, county or local agency, legislature, commission, council, or board;
  - b. Any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or
  - c. Any officer or employee of any federal, state, county or local agency, legislature, commission, council or board.
12. Division subgrants are subject to inspection and audit by representative of the Division, Nevada Department of Health and Human Services, the State Department of Administration, the Audit Division of the Legislative Counsel Bureau or other appropriate state or federal agencies to:
  - a. Verify financial transactions and determine whether funds were used in accordance with applicable laws, regulations and procedures;
  - b. Ascertain whether policies, plans and procedures are being followed;
  - c. Provide management with objective and systematic appraisals of financial and administrative controls, including information as to whether operations are carried out effectively, efficiently and economically; and
  - d. Determine reliability of financial aspects of the conduct of the project.
13. Any audit of Subgrantee's expenditures will be performed in accordance with generally accepted government auditing standards to determine there is proper accounting for and use of subgrant funds. It is the policy of the Division, as well as federal requirement as specified in the Office of Management and Budget (2 CFR § 200.501(a)), revised December 26, 2013, that each grantee annually expending \$750,000 or more in federal funds have an annual audit prepared by an independent auditor in accordance with the terms and requirements of the appropriate circular. A COPY OF THE FINAL AUDIT REPORT MUST BE SENT TO:

***Nevada State Division of Public and Behavioral Health  
Attn: Contract Unit  
4150 Technology Way, Suite 300  
Carson City, NV 89706-2009***

This copy of the final audit must be sent to the Division within nine (9) months of the close of the subgrantee's fiscal year. To acknowledge this requirement, Section E of this notice of subgrant award must be completed.

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DIVISION OF PUBLIC AND BEHAVIORAL HEALTH  
NOTICE OF SUBGRANT AWARD

SECTION E

Audit Information Request

1. Non-Federal entities that expend \$750,000.00 or more in total federal awards are required to have a single or program-specific audit conducted for that year, in accordance with 2 CFR § 200.501(a). Within nine (9) months of the close of your organization's fiscal year, you must submit a copy of the final audit report to:

*Nevada State Division of Public and Behavioral Health*  
**Attn: Contract Unit**  
**4150 Technology Way, Suite 300**  
**Carson City, NV 89706-2009**

2. Did your organization expend \$750,000 or more in all federal awards during your organization's most recent fiscal year?

YES     NO

3. When does your organization's fiscal year end?

6/30

4. What is the official name of your organization?

Washoe County Dept of Social Services

5. How often is your organization audited?

Annually

6. When was your last audit performed?

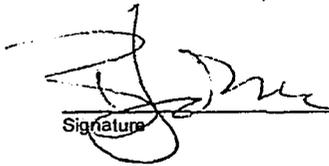
7/18

7. What time period did your last audit cover

FY 16

8. Which accounting firm conducted your last audit?

Eide Bailey

  
Signature

7/28/16  
Date

Fiscal Post Allocation Officer  
Title

## Section B Scope of work and Project Deliverables

Washoe County Social Services, hereinafter referred to as Subgrantee, agrees to provide the following services and reports according to the identified timeframes:  
Total SOW Budget: \$ 70,000.00

The Subgrantee will contract with BHPPT (SAPTA) certified providers to serve all clients referred by the county for substance use disorder treatment services that includes women involved with Child Protective Services due to substance use issues on an as needed basis with oversight being provided by the subgrantee.  
The Subgrantee shall provide to BHPPT a monthly report on total clients referred and a detailed accounting of services provided on a monthly basis under the provider contracts.  
Services provided shall include level of care (i.e. Level 1 outpatient, Level 2, 1 intensive outpatient, Level 3, 1 Low-Intensity Residential Care, Level 3, 5 Residential Care, Opioid Treatment Program (OTP), Withdrawal Management, etc.) and units of service provided for each level.  
The Subgrantee will provide monthly invoices to BHPPT. Invoicing shall include total clients served broken out by demographic population, total services provided, and cost per service and a total invoice amount.  
Data submitted will comply with the Treatment Episode Data Set (TEDS) reporting requirements.  
A program report shall be submitted at least quarterly. This report shall provide a complete listing of everyone that has been referred and receiving treatment. This list should include the client's name and Social Security Information at a minimum.  
The quarterly report will be used to compare against information that other BHPPT funded treatment providers are sending to the Bureau for reimbursement.

### Program Requirements

The Subgrantee, agrees to comply with all applicable rules, federal and state laws, regulations, requirements, guidelines, and policies and procedures to include, but not limited to:

- 2 CFR 200 - Uniform Requirements, Cost Principles and Audit Requirements for Federal Awards
- 45 CFR 96 - Block Grants
- 42 CFR 54 - Charitable Choice Regulations Applicable to States Receiving Substance Abuse Prevention & Treatment Block Grants & / or Projects for Assistance in Transition from Homelessness
- NRS 218G - Legislative Audits
- NRS 458 - Abuse of Alcohol & Drugs
- NRS 616 A through D
- NAC 458 - Abuse of Alcohol & Drugs
- GAAP - Generally Accepted Accounting Principles and/or GAS - Generally Accepted Government Auditing Standards
- GSA - General Services Administration for guidelines for travel
- SAPTA Administrative Manual - Chapters I - V & Appendices A - I

The Subgrantee's Certification must be current and fees paid prior to release of certificate in order to receive funding from the Division.  
The Subgrantee shall provide proof of workers' compensation insurance as required by Chapters 616A through 616D inclusive Nevada Revised Statutes (NRS) at the time of their certification.

The Subgrantee's commercial general liability insurance shall be on an occurrence basis and shall be at least as broad as ISO 1996 form CG 00 01 (or a substitute form providing equivalent coverage); and shall cover liability arising from premises, operations, independent contractors, completed operations, personal injury, products, civil lawsuits, Title VII actions, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). The State of Nevada shall be named as the Certificate Holder on the Certificate of Liability Insurance.

The Subgrantee must be enrolled in System Award Management (SAM) as required by the Federal Funding Accountability and Transparency Act.

The Subgrantee agrees to participate in reporting all required data and information through the authorized BHPPT data reporting system and to the evaluation team as required; or, if applicable, another qualified Electronic Health Record (EHR) reporting system.

The Subgrantee is required to be a "tobacco, alcohol, and other drug free" environment in which the use of tobacco products, alcohol, and illegal drugs will not be allowed.

The Subgrantees will report within 24 hours the occurrence of an incident, following BHPT policy, which may cause imminent danger to the health or safety of the clients, participants, staff of the program, or a visitor to the program, per MAC 458.153 3(e).

To the fullest extent permitted by law, Subgrantee shall indemnify, hold harmless and defend, not excluding the State's right to participate, the State from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Subgrantee, its officers, employees and agents.

The Subgrantee is required to fully cooperate with all BHPT sponsored studies including, but not limited to, utilization management reviews, program compliance monitoring, reporting requirements, complaint investigations, and evaluation studies.

The Subgrantee agrees that Program Compliance and Fiscal Monitors are a condition of receipt of BHPT funding. Programs receiving BHPT funding are required to participate in both certification and the monitor processes.

Audit Requirements for non-federal entities who do not meet the single audit requirement of 2 CFR Part 200, Subpart F-Audit requirements:

Sub-grantees of the program who expend less than \$750,000 during the non-federal entity's fiscal year in federal and state awards are required to report all organizational fiscal activities annually.

Requirements for the Year-End Financial Report:

- 1) The non-federal entity must prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year.
- 2) The non-federal entity financial statements may also include departments, agencies, and other organizational units.
- 3) Year-End Financial Report must be signed by the CEO or Chairman of the Board.
- 4) The Year-End Financial Report must include a schedule of expenditures of federal and state awards. At a minimum, the schedule must:
  - a) List individual federal and state programs by agency and provide the applicable federal agency name.
  - b) Include the name of the pass-through entity (State Program).
  - c) Must identify the CFDA number as applicable to the federal awards or other identifying number when the CFDA information is not available.
  - d) Include the total amount provided to the non-federal entity from each federal and state program.

The Year-End Financial Report must be submitted to BHPT 90 days after fiscal year end.

Behavioral Health, Prevention and Treatment

Attn: Management Oversight Team,  
4126 Technology Way, Second Floor,

Carson City, NV 89706

Sub-grantees of the program who expend \$750,000 or more during the fiscal year in federal and state awards are required to have a Limited Scope Audit conducted for that year.

The Limited Scope Audit must be for the same organizational unit and fiscal year that meets the requirements of the BHPT Audit policy.

The auditor must:

- 1) Perform an audit of the financial statement(s) for the federal program in accordance with GAGAS;
- 2) Obtain an understanding of internal controls and perform tests of internal controls over the federal program consistent with the requirements for a federal program;
- 3) Perform procedures to determine whether the auditee has complied with federal and state statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on the federal program consistent with the requirements of federal program;
- 4) Follow up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with the requirements of 2 CFR Part 200, §200.511 Audit findings follow-up, and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding; and
- 5) Report any audit findings consistent with the requirements of 2 CFR Part 200, §200.516 Audit findings;
- 6) The auditor's report(s) may be in the form of either combined or separate reports and may be organized differently from the manner presented in this section.
- 7) The auditor's report(s) must state that the audit was conducted in accordance with this part and include the following:

- An opinion as to whether the financial statement(s) of the federal program is presented fairly in all material respects in accordance with the stated accounting policies;
- A report on internal control related to the federal program, which must describe the scope of testing of internal control and the results of the tests;
- A report on compliance which includes an opinion as to whether the addressee complied with laws, regulations, and the terms and conditions of the awards which could have a direct and material effect on the program; and
- A schedule of findings and questioned costs for the federal program that includes a summary of the auditor's results relative to the federal program in a format consistent with 2 CFR Part 200, §200.515 Audit reporting, paragraph (d)(1), and findings and questioned costs consistent with the requirements of 2 CFR Part 200, §200.515 Audit reporting, paragraph (d)(3).

The Limited Scope Audit Report must be submitted to BHPT within the earlier of 30 calendar days after receipt of the auditor's report(s) or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.

Behavioral Health, Prevention and Treatment  
 Attn: Management Oversight Team,  
 4126 Technology Way, Second Floor,  
 Carson City, NV 89705

The Subgrantee acknowledges that to better address the needs of Nevada, funds identified in this subgrant may be reallocated if ANY terms of the subgrant are not met, including failure to meet the scope of work. BHPT may reallocate funds to other programs to ensure that gaps in service are addressed.

The Subgrantee acknowledges that if the scope of work is NOT being met, the Subgrantee will be provided a chance to develop an action plan on how the scope of work will be met and technical assistance will be provided by BHPT staff or specified sub-contractor. The Subgrantee will have 60 days to improve the scope of work and carry out the approved action plan. If performance has not improved, BHPT will provide a written notice identifying the reduction of funds and the necessary steps.

The Subgrantee will NOT expend BHPT funds, including Federal Substance Abuse Prevention and Treatment Block Grant Funds for any of the following purposes:

- 1) To purchase or improve land; purchase, construct, or permanently improve, other than minor remodeling, any building or other facility; or purchase major medical equipment.
- 2) To make any one purchase, including equipment, over \$1,000.
- 3) To purchase incentives and/or food (including nutritious snacks).
- 4) To satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds.
- 5) To provide in-patient hospital substance abuse services.
- 6) To make payments to intended recipients of health services.
- 7) To provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstrated needle exchange program would be effective in reducing drug abuse and there is no substantial risk that the public will become infected with the etiologic agent for AIDS.
- 8) To provide treatment services in penal or correctional institutions of the State.

The Subgrantee will implement the Center for Substance Abuse Prevention's (CSAP) Strategic Prevention Framework Planning Process.

The Subgrantee will solicit representatives from local substance abuse prevention programs to become coalition members and assist with efforts to implement the CSAP's Strategic Prevention Framework Planning Process.

The Subgrantee agrees grant funds may not be used for any other purpose than the awarded purpose. In the event Subgrantee expenditures do not comply with this condition, that portion not in compliance will not be reimbursed to the Subgrantee, or must be refunded to the Division.

The Coalition representatives are required to attend Prevention training as listed below:

- 1) All fulltime staff must annually complete a minimum of twenty (20) hours of training.
- 2) All part-time staff must annually complete a minimum for ten (10) hours of training.
- 3) Participate in the implementation of evidence-based prevention programs, strategies, policies, and practices, and use the Prevention Program Operating and Access Standards as the basis for program, workforce, and agency development.

The Subgrantee must participate in the implementation of the Nevada Survey for Prevention Programs (pre- and post-test) and all subrecipients offering recurring direct service prevention programs; ensure that completed surveys are submitted to the BHPT office immediately following submittal by subrecipients.

The Subgrantee agrees that Prevention Program Quarterly reports will be due quarterly by the first of the second month following each quarter (e.g. November 1, 2016; February 1, 2017; May 1, 2017; and August 1, 2017). If the first of the month falls on a weekend, the report will be due by the first business day following the weekend.

The Subgrantee agrees that any items purchased that extend beyond the subgrant period (including, but not limited to, computers, monitors, televisions, cell phones and any other furniture or equipment) regardless of cost must be in maintained and inventoried in accordance with 2 CFR Part 200, §200.313 Equipment, sections (d) Management requirements and (e) Disposition.

The subgrantee agrees to comply with 2 CFR Part 200, "Performance and Financial Monitoring and Reporting" requirements for pass-through entities, for any pass through funding they provide to sub-recipients.

The subgrantee agrees to pass-through, to all sub-recipients, all federal and state regulations, laws and grant requirements contained in this sub-grant with out exception.

The Subgrantee's subrecipients must enter Session Activity Detail records at the start of each recurring program iteration.

Failure to meet any condition listed within the subgrant award may result in withholding reimbursement payments, disqualification of future funding, and/or termination of current funding.