

This Interlocal Cooperation Contract ("Contract") is entered into between the parties listed below, pursuant to the authority granted in compliance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code.

1. CONTRACTING PARTIES.

- 1.1** Texas Department of Family and Protective Services (DFPS or the Department)
 - 1.1.1** Contact Person: Patricia Clark, 5425 Polk Street, Suite 190, Houston, TX 77023 (713) 767-2768
- 1.2** Fort Bend County
 - 1.2.1** Contact Person: The Honorable Judge Robert Hebert, 301 Jackson Street, Richmond, TX 77469 (281) 341-3760

2. STATEMENT OF SERVICES TO BE PERFORMED.

2.1 DFPS Mission

The mission of DFPS is to protect children, the elderly, and people with disabilities from abuse, neglect, and exploitation by working with clients, families, and communities.

2.2 Program Purpose

The purpose of the Child Protective Services (CPS) Program is to protect children and to act in the children's best interest. CPS focuses on children and their families and seeks active involvement of the children's parents and other family members to solve problems that lead to abuse or neglect. The objectives of CPS are to:

- 2.2.1** Prevent further harm to children and to keep children with their families when possible;
- 2.2.2** Provide permanence for children in substitute care by resolving family dysfunction and returning children to their families; and
- 2.2.3** Provide permanence for children who cannot return to their families.

2.3 Need for Service

Claims Processing is the timely writing and processing of payments, usually by writing a check, on behalf of DFPS for Concrete, Preparation for Adult Living (PAL), and Court Related Services that benefit eligible DFPS clients.

2.4 Service Area & Availability

2.4.1 Service Area & Availability

The Service Area for this Contract is Harris County.

The Contractor must be available during regular working hours from 8 a.m. to 5 p.m. Monday through Friday except on State Holidays. A list of State Holidays can be found at the following link:

<http://sao.hr.state.tx.us/compensation/holidays.html>

For holidays that show "Skeleton Crew Required" or "Optional" Contractor must have enough employees on duty to conduct the business necessary to meet the requirements defined in Section 2 of the contract.

2.4.2 Renewal Conditions

DFPS reserves the option to renew the contract on an annual basis, or lesser period of time for a total contract term not to exceed fifty-four (54) months or August 31, 2013.

2.5 Service Authorization and Referral Process

Services are authorized by DFPS and Contractor must have an intake process to handle the payment of Service Authorization Forms.

2.5.1 Service Authorization Form (DFPS Form 2054)

2.5.1.1 Ability to Accept Referrals

DFPS will authorize services via DFPS, Form 2054, Service Authorization Form and the Contractor must be able to accept Form 2054 by:

- 2.7.1.1.1** Hand Delivery or Commercial Delivery Service;
- 2.7.1.1.2** U.S. Mail;
- 2.7.1.1.3** Fax; and
- 2.7.1.1.4** Email.

2.5.1.2 Maintain Support Resources

Contractor must maintain all necessary support resources to receive, process, and document claims, including but not limited to:

- 2.5.1.2.1** Fully operational fax machine;
- 2.5.1.2.2** Fully operational computer(s) and software compatible with DFPS technology;
- 2.7.1.2.3** Sufficient technological capacity to handle all aspect of the claims processing service;
- 2.5.1.2.4** Working telephone;
- 2.5.1.2.5** Internet service; and
- 2.5.1.2.6** Working accessible and secure email capacity.

2.6.1.3 Document Referral

Contractor must be able to document the time and date that the Contractor received the Form 2054 by:

- 2.6.1.3.1** Time and Date stamp on the form;

- 2.6.1.3.2** Attaching the fax sheet with an accurate receipt time and date notation; or
- 2.6.1.3.3** Attaching or maintaining the email (with an accurate receipt date and time notation) directly to the file copy of each Form 2054.
- 2.6.1.2.2** Service Authorizations found to be inaccurate or incomplete during the Quality Assurance review must include the initial receipt date and time and the final acceptance date and time.

2.7 Claims Processing

2.7.1 Quality Assurance (QA) Referral Form 2054

Upon receipt of Form 2054 The Contractor must conduct a QA to review Form 2054 prior to making the disbursement. QA review includes, but is not limited to, confirming that the Contractor has accurate and complete:

2.7.1.1 Information needed to authorize the disbursement:

The Contractor must ensure disbursements made on behalf of DFPS are properly authorized. The signatures required to authorize the disbursement are specified in Table 1;

Table 1			
Signatures Requirements – Form 2054			
Service Code¹	Service	Dollar Value of Request	Number of Required Signatures
82C 82D	Concrete Services	\$0.01 - \$200.00	2 – DFPS Plus Client
82C 82D	Concrete Services	\$200.01 - up	3 – DFPS Plus Client
18G, 18H, 18I	PAL	\$0.01 - \$200.00	2 – DFPS
18G, 18H, 18I	PAL	\$200.01 - up	2 – DFPS
86H	Court Related Services	All Dollar Values	2 – DFPS

2.7.1.2 Information needed to make the disbursement:

- 2.8.1.2.1** Who to pay;
- 2.8.1.2.2** The exact amount of the disbursement;
- 2.8.1.2.3** Where to send the disbursement;

¹ DFPS has the right to add or delete service codes

2.8.1.2.4 Any special instructions; and

2.8.1.2.4 Invoice, bill or other documentation supporting amount due.

2.7.1.3 Follow up with the CPS Caseworker listed on Form 2054, no later than close of business (COB) the day following receipt of Form 2054 to obtain required information or make corrections to Form 2054.

2.7.2 Process Accurate Payments

The Contractor must insure disbursements made on behalf of DFPS are accurate as specified in the referral Form 2054, including but not limited to making sure:

2.7.2.1 Each Form 2054 is in compliance with Table 2, Signature Requirements;

2.7.2.2 Each requested disbursement made payable to the correct party and is not a "restricted disbursement":

2.7.2.2.1 Restricted Disbursements

2.7.2.2.1.1 DFPS Staff

Disbursements by the Contractor must not be payable to any DFPS employee.

2.7.2.2.1.2 DFPS Client

Disbursements by the Contractor must not be payable to the DFPS client, except as requested by CPS Caseworker for the following PAL service codes:

- 18G,
- 18H, and
- 18I.

2.7.2.3 Each requested disbursement is for the exact amount requested;

2.7.2.4 The processing of each Form 2054 complies with any special instructions from DFPS;

2.7.2.5 The processing of each disbursement request meets the time specifications in Table 3, Check Processing Time; and

2.7.2.6 Each requested disbursement is sent to the specified party as required in the Form 2054.

2.8.3 Process Timely Payments

The Contractor must ensure disbursements made on behalf of DFPS are made timely as specified in Table 2, Check Processing Time.

Table 2 Check Processing Time		
Type of Disbursement	Receipt Time of an Accurate & Complete Service Authorization Form	Time by Which the Disbursement Must Be Processed and Out of Contractors' Office
Regular Disbursement	Between 8 am & 5 pm	No later than the next business day
Reissuance	Between 8 am & 5 pm	No later than the next business day
Disbursement at Contractor's Office	As agreed upon by both parties	Before close of business the same day received
OR		
Emergency Disbursement*	Between 8 am & 3 pm	Via overnight service, the same day received, before close of business
Emergency Disbursement*	After 3 pm	Via overnight service, no later than the next business day

**Designated by making an overnight request.*

2.8.4 Disbursement Documentation Requirements**2.8.4.1 Contractor is responsible for:**

2.8.4.1.1 Securing invoices and receipts as appropriate to the claim being processed to support the disbursements made on behalf of DFPS, and

2.8.4.1.2 Matching receipts to the corresponding Form 2054.

DFPS will provide a single point of contact (SPOC) within the Region to assist the Contractor with tracking receipts and checks that have not been cashed.

2.8.5 Reconcile Disbursements

Contractor must reconcile disbursements against invoices, receipts, the 2054 and processed checks as appropriate. Contractor must report any differences or other discrepancies to the DFPS Contract Manager for instructions on how to handle.

2.8.5.1 Returned Disbursements (non-use)

The Contractor must credit the amount of the returned disbursement back to DFPS in the next billing cycle.

2.8.5.2 Partial Funds Returned

If a check issued by the Contractor in accordance with Form 2054 is not fully utilized, funds will be returned to the Contractor. The Contractor must credit the amount of returned funds to DFPS in the next billing cycle.

2.8.6 Maintain Open Communication

Contractor will maintain open communication with DFPS to support successful Claims Processing services as requested by DFPS, including but not limited to:

2.8.6.1 Participation in DFPS meetings; and**2.8.6.2 Conferences.****2.9 Sufficient Resources**

The Contractor will maintain the financial and other necessary resources to perform the Contractor's duties and obligations as required by, and in the manner required by, this Contract.

2.10 Required Record Keeping

The Contractor must maintain records. Records may be kept electronically; however, Contractor must be able to promptly produce an easily legible hard copy of any records, if requested to do so by and for DFPS. Contractor must maintain and house all records in a central location, although Contractor may maintain backup copies of records in an alternate secure location. The required records that must be maintained by Contractor include but are not limited to:

2.10.1 Individual Client Records

The individual client record must include but is not limited to:

2.10.1.1 Service Authorization Form 2054

- Documentation on Form of time and date initial and follow-up Form 2054 received;
- Documentation of date request is completed;
- Documentation to support processing with the time and date sent indicated.

2.10.1.2 Receipts or invoices to support and reconcile disbursements;

- Documentation of at least two (2) attempts to secure the appropriate disbursement supporting documentation receipts from Regional SPOC. Documentation must include
 - Name, date, and method of contact made with DFPS, and
 - Results of the contact with DFPS.

2.10.1.3 Documentation to support overnight processing with the time and date sent indicated;

2.10.1.4 Additional documentation to support the disbursement was received at the Contractor's office to include:

- Name, title and signature of person receiving disbursement;
- Check number.

2.10.1.5 Other supporting documentation.

2.10.2 Other Records

The Contractor must maintain any and all other records necessary to support disbursements made on behalf of DFPS. Such other records must include but are not limited to:

- Processed/Cancelled Checks;
- Billing documentation;
- Any Contract-related emails or other written notifications/communications internal to Contractor or between Contractor and any external entities (including DFPS); and
- Copies of Contractor staff files/documentation, to support the Contractor's minimum experience, financial, and other requirements.

2.11 Required Reports

There are no specific reports required of the Contractor; however, DFPS may from time to time request reports from the Contractor as needed to support the Claims Processing Service. The Contractor must comply with any report request made by the DFPS Contract Manager.

2.12 Transition Planning

At the end of the contract term, including any renewals or other contract termination or cancellation, the Contractor shall in good faith and in reasonable

cooperation with the Department, aid in transition to any new arrangement or provider of services.

Unless otherwise directed in writing by DFPS, the Contractor must process all Form 2054 payment requests received by the Contractor through the end date of the Contractor's Contract with DFPS.

2.13 Goal and Performance Measures

2.13.1 Goal

To provide accurate and timely payments on behalf of DFPS to acquire goods and services that benefits clients.

2.13.2 Performance Measures

In addition to the Contractor's compliance with all of its obligations and duties under the contract, DFPS will evaluate the performance of the Contractor on the basis of the performance measures contained in Attachment 1A, Claims Processing Performance Measures.

3. UTILIZATION AND COMPENSATION.

3.1 Historical Service Utilization

The Utilization rate will vary according to the needs of DFPS staff, individual clients and DFPS budgetary allocations. Actual utilization is within the discretion of DFPS.

3.2 Compensation

3.2.1 Availability of Funds

3.2.1.1 DFPS does not guarantee funding at any level and may increase or decrease funds at any time during the term of this contract.

3.2.1.2 Contractors may not use funds received from DFPS to replace any other federal, state, or local source of funds awarded under any other contract. Additionally, Contractors may not use DFPS funds as match (in-kind or cash match) for any other funding opportunity (grant application) in which the Contractor may be participating.

3.2.3 Method of Payment

The payment methodology is fee-for-service.

3.2.4 Unit of Service

One (1) unit equals one (1) administrative fee charged for each properly completed disbursement or applicable reissuance.

3.2.5 Fee Schedule

Unit Rate for Claims Processing Services - Table 3	
Type of Referral	Administrative Fee
Regular Referral	\$0.00
Regular Referral Received at Contractor's Office	\$0.00
Emergency Referrals (Declared by designating Overnight Delivery on Service Authorization.)	\$0.00
Reissuance	According to Administrative Fee Schedule — Table 4

Administrative Fee Schedule — Table 4		
Transaction Type	Initial Administrative Fee Applies	Additional Administrative Fee Applies
Initial Disbursement	Yes	No
Check Returned for Non-Use	Yes	No
Check Reissued due to Contractor Error	Yes	No
Check Reissued Due to DFPS Error	Yes	Yes

NOTE: Partial Fund Returns — No additional Administrative Fee applies.

3.3 Invoicing Process

No payment will be made without the submission of correct invoices. Invoices must be received at the designated DFPS contract office. Services shall be paid upon the receipt of properly completed invoices from Contractor. In accordance with Texas Government Code Chapter 791, DFPS will reimburse Contractor for services satisfactorily performed from appropriation items or accounts of the

Contractor from which like expenditures would normally be paid, based upon vouchers drawn by the DFPS to Contractor.

3.3.1 Instructions for Invoicing DFPS

Contractor's staff responsible for preparing invoices will receive instructions on the specifics of invoicing DFPS. The format for invoicing DFPS is determined by the DFPS Contract Manager.

3.3.2 Invoice Process

Selected Contractor(s) will:

3.3.2.1 Access the Pre-Bill

Access the pre-bill Provider Statement either electronically or a pre-bill will be mailed to Contractor(s). Submit Pre-Bill as Invoice.

3.3.2.1.1 When to Submit

Contractor may bill DFPS only after the check has been processed.

3.3.2.1.2 How to Submit

Submittal of claims by submitting a signed and dated Department pre-bill, reflecting services authorized and delivered.

3.3.2.2 Invoice Attachments

3.3.2.2.1 Form 2016, Delivered Services Input

Form 2016, Delivered Services Input, is required when a supplemental claim or return of agency funds is being made. The Form 2016 is completed to correspond to the specific month of service.

3.3.2.2.2 Form 4116X, State of Texas Purchase Voucher

Submit an original signed Form 4116X, State of Texas Purchase Voucher.

3.3.2.2.3 Other Supporting Documentation

Submit any other supporting documentation requested by DFPS, not limited to Copy of Service Authorization and Receipt or invoice.

3.3.2.3 Due Date

Submittal of claims either by directly data entering the information into the DFPS Invoice system, or by submitting a signed and dated Department pre-bill, reflecting services authorized and delivered data by the 15th of each month, following the month of service.

Failure to submit invoices on time may be considered a contract compliance issue and be used in evaluating whether to renew or terminate the contract.

4. **CONTRACT AMOUNT.** The total amount of this contract shall not exceed (\$4630.00).
5. **DFPS CONFIDENTIAL INFORMATION.** Contractor will not release confidential information to any party in any manner without the prior written consent of DFPS. Contractor agrees that any confidential information stored, collected, or maintained electronically or otherwise will only be used in the implementation of this contract. Contractor desires to release information to any person or entity regarding the work performed under this contract, Contractor must have prior written permission from DFPS to release such information.
- 5.1 Contractor will establish a method to ensure the confidentiality of records and other information relating to clients according to applicable federal and state law, rules, and regulations.
- 5.2 This provision does not limit the Department's right of access to client case records or other information relating to clients served under this contract. The Department shall have an absolute right to access to and copies of such information, upon request.
6. **MODIFICATION.** The parties to this Contract may modify this contract only through the execution of a written amendment signed by both parties.
7. **TERM OF CONTRACT.** This Contract will begin on 09/01/2010 and end on 08/31/2011.
8. **TERMINATION.** Either party to this Contract may terminate by providing 30 days advance written notice to the other party.
9. **DISPUTE RESOLUTION.** Any dispute regarding this Contract will be governed by Texas Government Code Chapter 2009, Alternative Dispute Resolution for Use by Governmental Bodies, and any applicable Model Rules promulgated by the Office of the Attorney General and/or the State Office of Administrative Hearing of the State of Texas. Any notice of dispute must be addressed to the contact person noted in Section 1 of this Contract.
10. **INCORPORATION BY REFERENCE.** The following documents are incorporated into the contract for all purposes and are on file with the parties:
- 10.1 Form 2031, Signature Authority Designation
- 10.2 Form 4733GOV, Certifications
- 10.3 Attachment, Statement of Work
- 10.4 Attachment 1A, Performance Measures
- 10.5 Attachment 1B, Performance Measure Requirements

10.6 Attachment 1C, FY 11 Contract Performance Measures Data

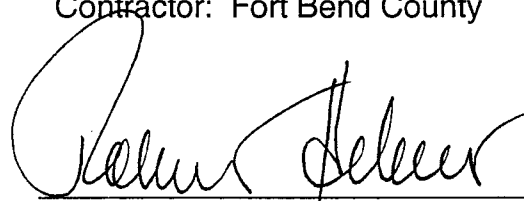
10.7 Attachment 2A, Glossary

11. CERTIFICATION. THE UNDERSIGNED CONTRACTING PARTIES certify that, (1) the services specified above are necessary and essential for activities that are properly within the statutory functions and programs of the affected state entities, (2) the proposed arrangements serve the interest of efficient and economical administration of the state government, and (3) the services, supplies, or materials contracted for are not required by Section 21 of Article 16 of the Constitution of Texas to be supplied under contract given to the lowest responsible bidder.

Texas Department of Family
and Protective Services

Contractor: Fort Bend County

Authorized Signature
Printed Name: Colleen McCall
Title: CPS Director of Field



Authorized Signature
Printed Name: Robert Hebert
Title: The Honorable County Judge

Date

September 28, 2010
Date

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SECTION 2 - STATEMENT OF WORK

2.1 DFPS Mission

The mission of DFPS is to protect children, the elderly, and people with disabilities from abuse, neglect, and exploitation by working with clients, families, and communities.

2.2 Program Purpose

The purpose of the Child Protective Services (CPS) Program is to protect children and to act in the children's best interest. CPS focuses on children and their families and seeks active involvement of the children's parents and other family members to solve problems that lead to abuse or neglect. The objectives of CPS are to:

- 2.2.1** Prevent further harm to children and to keep children with their families when possible;
- 2.2.2** Provide permanence for children in substitute care by resolving family dysfunction and returning children to their families; and
- 2.2.3** Provide permanence for children who cannot return to their families.

2.3 Need for Service

Claims Processing is the timely writing and processing of payments, usually by writing a check, on behalf of DFPS for goods and services that benefit eligible DFPS clients.

2.4 Eligible Population

Client eligibility is determined by DFPS. Contractor must provide services on behalf of clients authorized by DFPS.

2.5 Client Characteristics

Clients that will be served are CPS clients. There is no direct client contact by the Contractor in the provision of this service; therefore, no special client characteristics need to be considered.

2.6 Service Area

Contracts are awarded on a regional basis.

2.6.1 Service Availability

The Contractor must be available during regular working hours from 8 a.m. to 5 p.m. Monday through Friday except on State Holidays. A list of State Holidays can be found at the following link:

<http://sao.hr.state.tx.us/compensation/holidays.html>

For holidays that show "Skeleton Crew Required" or "Optional" Contractor must have enough employees on duty to conduct the business necessary to meet the requirements defined in Section 2 of the contract.

2.6.2 Period of Performance

The initial contract period will begin on the effective date stated in the contract and will terminate on **August 31, 2011**, unless terminated as described in this contract.

2.6.3 Renewal Conditions

DFPS reserves the option to renew the contract on an annual basis, or lesser period of time for a total contract term not to exceed fifty-four (54) months.

2.7 Service Authorization and Referral Process

Services are authorized by DFPS and Contractor must have an intake process to handle referrals.

2.7.1 Service Authorization Form (DFPS Form 2054)

2.7.1.1 Ability to Accept Referrals

DFPS will authorize services via DFPS, Form 2054, Service Authorization Form and the Contractor must be able to accept Form 2054 by any means, including but not limited to:

- 2.7.1.1.1** Hand Delivery or Commercial Delivery Service;
- 2.7.1.1.2** U.S. Mail;
- 2.7.1.1.3** Fax; and
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2.7.1.2 Maintain Support Resources

Contractor must maintain all necessary support resources to receive, process, and document claims, including but not limited to:

- 2.7.1.2.1** Fully operational fax machine;
- 2.7.1.2.2** Fully operational computer(s) and software compatible with DFPS technology;
- 2.7.1.2.3** Sufficient technological capacity to handle all aspect of the claims processing service;
- 2.7.1.2.4** Working telephone;

2.7.1.2.5 Internet service; and

2.7.1.2.6 Working accessible and secure email capacity.

2.7.1.3 Document Referral

Contractor must be able to document the time and date that the Contractor received the Form 2054 by:

2.7.1.3.1 Time and Date stamp on the form;

2.7.1.3.2 Attaching the fax sheet with an accurate receipt time and date notation; or

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2.7.1.2.2 Service Authorizations found to be inaccurate or incomplete during the Quality Assurance review must include the initial receipt date and time and the final acceptance date and time.

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2.8.1 Quality Assurance (QA) Referral Form 2054

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2.8.1.1 Information needed to authorize the disbursement:

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Table 2 Signatures Requirements – Form 2054			
Service Code¹	Service	Dollar Value of Request	Number of Required Signatures
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86H	Court Related Services	All Dollar Values	2 – DFPS

2.8.1.2 Information needed to make the disbursement:

2.8.1.2.1 Who to pay;

2.8.1.2.2 The exact amount of the disbursement;

2.8.1.2.3 Where to send the disbursement; and

2.8.1.2.4 Any special instructions.

2.8.1.2.4 Invoice, bill or other documentation supporting amount due.

2.8.1.3 Follow up with the CPS Caseworker listed on Form 2054, no later than close of business (COB) the day following receipt of Form 2054 to obtain required information or make corrections to Form 2054.

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¹ DFPS has the right to add or delete service codes

2.8.2.2 Each requested disbursement made payable to the correct party and is not a "restricted disbursement":

2.8.2.2.1 Restricted Disbursements

2.8.2.2.1.1 DFPS Staff

Disbursements by the Contractor must not be payable to any DFPS employee.

2.8.2.2.1.2 DFPS Client

Disbursements by the Contractor must not be payable to the DFPS client, except as requested by CPS Caseworker for the following PAL service codes:

- 18G,
- 18H, and
- 18I.

2.8.2.3 Each requested disbursement is for the exact amount requested;

2.8.2.4 The processing of each Form 2054 complies with any special instructions from DFPS;

2.8.2.5 The processing of each disbursement request meets the time specifications in Table 3, Check Processing Time; and

2.8.2.6 Each requested disbursement is sent to the specified party as required in the Form 2054.

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The Contractor must ensure disbursements made on behalf of DFPS are made timely as specified in Table 3, Check Processing Time.

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OR		
Emergency Disbursement*	Between 8 am & 3 pm	Via overnight service, the same day received, before close of business
Emergency Disbursement*	After 3 pm	Via overnight service, no later than the next business day

**Designated by making an overnight request.*

2.8.4 Disbursement Documentation Requirements

2.8.4.1 Contractor is responsible for:

2.8.4.1.1 Securing invoices and receipts as appropriate to the claim being processed to support the disbursements made on behalf of DFPS, and

2.8.4.1.2 Matching receipts to the corresponding Form 2054.

DFPS will provide a single point of contact (SPOC) within the Region to assist the Contractor with tracking

receipts and checks that have not been cashed.

2.8.5 Reconcile Disbursements

Contractor must reconcile disbursements against invoices, receipts, the 2054 and processed checks as appropriate. Contractor must report any differences or other discrepancies to the DFPS Contract Manager for instructions on how to handle.

2.8.5.1 Returned Disbursements (non-use)

The Contractor must credit the amount of the returned disbursement back to DFPS in the next billing cycle. The Contractor may retain the initial administrative fee but may not charge an additional administrative fee.*

2.8.5.2 Partial Funds Returned

If a check issued by the Contractor in accordance with Form 2054 is not fully utilized, funds will be returned to the Contractor. The Contractor must credit the amount of returned funds to DFPS in the next billing cycle. The Contractor may retain the initial administrative fee but may not charge an additional administrative fee.*

2.8.5.3 Reissued Disbursement

If a check issued by the Contractor in accordance with Form 2054 is returned for reissuance due to DFPS error, the Contractor may charge an additional administrative fee.*

*NOTE: See Section 3 — Utilization and Compensation, Paragraph 3.2.5, Administrative Fee Schedule - Table 4.

2.8.6 Maintain Open Communication

Contractor will maintain open communication with DFPS to support successful Claims Processing services as requested by DFPS, including but not limited to:

2.8.6.1 Participation in DFPS meetings; and

2.8.6.2 Conferences.

2.9 Minimum Organizational Qualifications

This section addresses the minimum requirements for the Contractor. For purposes of this contract, including all attachments, the term Contractor includes the Contractor itself, whether an individual or other legal entity, as well as all key personnel and principals (both

individuals and legal entities) constitute the Contractor. The Contractor must meet or exceed the minimum qualifications, including the following:

2.9.1 Business Experience Requirements

Contractor, or its key personnel, responsible for the management and delivery of Claims Processing Services must have:

2.9.1.1 Three (3) years of full-time successful relevant business experience such as:

- Management;
- Project Management;
- Handling claims processing for a State Agency, or a 3rd Party;
- Providing services similar to those in this contract.
- Keeping payment records;
- Meeting timeframes similar to those in this contract, and
- Processing multiple client requests of a sensitive nature.

2.9.2 Minimum Financial Requirements

The Contractor, or its key personnel, responsible for the financial and accounting aspects of the provision of the Claims Processing Services must have:

2.9.2.1 Three (3) years successful relevant financial experience, relevant financial experience must include:

- Managing and accounting for the amount of funds equal to the minimum sufficient financial resource indicated in Section 3, Utilization and Compensation, Paragraph 3.2.2; and
- Maintaining a billing and payment process.

2.9.3 Sufficient Resources

The contractor will maintain the requisite qualifications, experience, personnel, and the financial and other necessary resources to perform the Contractor's duties and obligations as required by, and in the manner required by, this Contract.

2.10 Required Record Keeping

The Contractor must maintain records. Records may be kept electronically; however, Contractor must be able to promptly produce an easily legible hard copy of any records, if requested to do so by and for DFPS. Contractor must maintain and house all records in a central location, although Contractor may maintain backup copies of records in an alternate secure location. The required records that must be maintained by Contractor include but are not limited to:

2.10.1 Individual Client Records

The individual client record must include but is not limited to:

2.10.1.1 Service Authorization Form 2054

- Documentation on Form of time and date initial and follow-up Form 2054 received;
- QA documentation on Form to support payment;
- Documentation of date request is completed;
- Documentation to support processing with the time and date sent indicated.

2.10.1.2 Receipts or invoices to support and reconcile disbursements;

- Documentation of at least two (2) attempts to secure the appropriate disbursement supporting documentation receipts from Regional SPOC. Documentation must include
 - Name, date, and method of contact made with DFPS, and
 - Results of the contact with DFPS.

2.10.1.3 Documentation to support overnight processing with the time and date sent indicated;

2.10.1.4 Additional documentation to support the disbursement was received at the Contractor's office to include:

- Name, title and signature of person receiving disbursement;
- Check number.

2.10.1.5 Other supporting documentation.

2.10.2 Other Records

The Contractor must maintain all other records necessary to support disbursements made on behalf of DFPS. Such other records must include but are not limited to:

- Processed/Cancelled Checks;
- Billing documentation;
- Any Contract-related emails or other written notifications/communications internal to Contractor or between Contractor and any external entities (including DFPS); and
- Copies of Contractor staff files/documentation, to support the Contractor's minimum experience, financial, and other requirements.

2.11 Required Reports

There are no specific reports required of the Contractor; however, DFPS may from time to time request reports from the Contractor as needed to support the Claims Processing Service. The Contractor must comply with any report request made by the DFPS Contract Manager.

2.12 Transition Planning

At the end of the contract term, including any renewals or other contract termination or cancellation, the Contractor shall in good faith and in reasonable cooperation with the Department, aid in transition to any new arrangement or provider of services.

Unless otherwise directed in writing by DFPS, the Contractor must process all Form 2054 payment requests received by the Contractor through the end date of the Contractor's Contract with DFPS.

2.13 Goal and Performance Measures

2.13.1 Goal

To provide accurate and timely payments on behalf of DFPS to acquire goods and services that benefits clients.

2.13.2 Performance Measures

In addition to the Contractor's compliance with all of its obligations and duties under the contract, DFPS will evaluate the performance of the Contractor on the basis of the

performance measures contained in Attachment D, Claims Processing Performance Measures.

2.14 Minimum Insurance Requirements

- 2.14.1** The Contractor will provide insurance for direct delivery of services under this contract. The Contractor will obtain and furnish proof of the following bonding and insurance coverage within forty-eight (48) hours of the award of the Contract or at such other time as may be specified by the Department. The required coverage is:
 - 2.14.1.1** Dishonesty bonding under a commercial crime policy or business services bonding, at a ten thousand dollar (\$10,000.00) minimum; and
 - 2.14.1.2** Commercial General Liability Coverage at a three hundred thousand dollar (\$300,000) minimum for each occurrence, and six hundred thousand dollar (\$600,000) minimum aggregate limit.
- 2.14.2** The Contractor will purchase coverage with insurance companies or carriers rated for financial purposes "B" or higher whose policies cover risks located in the State of Texas. All bonds, policies, and coverage shall be maintained fully effective by Contractor during the entire term of contract.
- 2.14.3** All required insurance policies will include an endorsement stating that the issuer of any such policy will give at least thirty (30) calendar days prior-written notice to DFPS of any cancellation or change in the applicable policy or bond.
- 2.14.4** Contractor also must provide at least thirty (30) calendar days prior-written notice to DFPS of any cancellation or change in any such required insurance policy or bond.

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SECTION 3 - UTILIZATION AND COMPENSATION

3.1 Historical Service Utilization

The Utilization rate will vary according to the needs of DFPS staff, individual clients and DFPS budgetary allocations. Actual utilization is within the discretion of DFPS.

3.2 Compensation

3.2.1 Availability of Funds

3.2.1.1 DFPS does not guarantee funding at any level and may increase or decrease funds at any time during the term of this contract.

3.2.1.2 Contractors may not use funds received from DFPS to replace any other federal, state, or local source of funds awarded under any other contract. Additionally, Contractors may not use DFPS funds as match (in-kind or cash match) for any other funding opportunity (grant application) in which the Contractor may be participating.

3.2.2 Sufficient Resources

The Contractor will maintain the requisite financial and other necessary resources to perform the Contractor's duties and obligations as required by, and in the manner required by this contract.

3.2.3 Method of Payment

The payment methodology is fee-for-service.

3.2.4 Unit of Service

One (1) unit equals one (1) administrative fee charged for each properly completed disbursement or applicable reissuance.

3.2.5 Fee Schedule

Unit Rate for Claims Processing Services	
Type of Referral	Administrative Fee
Regular Referral	\$0.00
Regular Referral Received at Contractor's Office	\$0.00
Emergency Referrals (Declared by designating Overnight Delivery on Service Authorization.)	\$0.00
Reissuance	According to Administrative Fee Schedule — Table 4

Administrative Fee Schedule — Table 4		
Transaction Type	Initial Administrative Fee Applies	Additional Administrative Fee Applies
Initial Disbursement	Yes	No
Check Returned for Non-Use	Yes	No
Check Reissued due to Contractor Error	Yes	No
Check Reissued Due to DFPS Error	Yes	Yes

NOTE: Partial Fund Returns — No additional Administrative Fee applies.

3.3 Invoicing Process

No payment will be made without the submission of correct invoices. Invoices must be received at the designated DFPS contract office.

3.3.1 Instructions for Invoicing DFPS

Contractor's staff responsible for preparing invoices will receive instructions on the specifics of invoicing DFPS. The format for invoicing DFPS is determined by the DFPS Contract Manager.

3.3.2 Invoice Process

Selected Contractor(s) will:

3.3.2.1 Access the Pre-Bill

Access the pre-bill Provider Statement either electronically or a pre-bill will be mailed to Contractor(s). Submit Pre-Bill as Invoice.

3.3.2.1.1 When to Submit

Contractor may bill DFPS only after the check has been processed.

3.3.2.1.2 How to Submit

Submittal of claims by submitting a signed and dated Department pre-bill, reflecting services authorized and delivered.

3.3.2.2 Invoice Attachments

3.3.2.2.1 Form 2016, Delivered Services Input

Form 2016, Delivered Services Input, is required when a supplemental claim or return of agency funds is being made. The Form 2016 is completed to correspond to the specific month of service.

3.3.2.2.2 Form 4116X, State of Texas Purchase Voucher

Submit an original signed Form 4116X, State of Texas Purchase Voucher.

3.3.2.2.3 Other Supporting Documentation

Submit any other supporting documentation requested by DFPS, not limited to Copy of Service Authorization and Receipt or invoice

3.3.2.3 Due Date

Submittal of claims either by directly data entering the information into the DFPS Invoice system, or by submitting a signed and dated Department pre-bill, reflecting services authorized and delivered data by the 15th of each month, following the month of service.

Failure to submit invoices on time may be considered a contract compliance issue and be used in evaluating whether to renew or terminate the contract.

ATTACHMENT D

Claims Processing Services Performance Measures

Output # 1: Contracted services are provided in an efficient manner.
Output Performance Period: Contractor performance for this output is reported monthly and to be measured annually.
Output Indicator: Percentage of checks reissued within one (1) business day of return.
Output Target: 98%
Purpose: To measure the Contractor's success at providing timely services.
Data Source: Self-reported by Contractor.
Methodology: The numerator is the total number of checks reissued within one (1) business day of return during the month being reported. The denominator is the total number of checks reissued during the month being reported. Divide the numerator by the denominator, multiply by 100 and state as a percentage.

ATTACHMENT E

Claims Processing Services Performance Measure Requirements

The Contractor will be responsible for supporting the collection of performance measure data (Refer to Attachment D Performance Measures). The Contractor shall:

1. Tally the total number of checks reissued during the month being reported. Of those checks reissued during the month being reported, tally the total number of those reissued within one (1) business day of return. The combined results will be reported to DFPS Contract Performance for each month, in the format specified by DFPS. DFPS is developing an Internet-based data collection and reporting system for Contractors to self report performance measure data. Until the system is available, results should be reported in the format shown in Attachment F. When the electronic system is available, DFPS will require the Contractor to convert reporting of performance measure data through this system.
2. Keep all records of returned checks, date returned and date reissued on file and available to DFPS upon request for the time period specified by DFPS for records maintenance. The records must be maintained in a manner to allow for the testing of the validity of the results being reported. This means that required documentation must be maintained for each month being reported, including a copy of the performance results which were reported to DFPS Contract Performance.
3. Comply with report date time frames. Performance Measure reporting is due to Contract Performance within 30 days of the end of each month being reported.

ATTACHMENT F

Texas Department of Family and Protective Services Claims Processing Services - FY 11 Contract Performance Measures Data

PURPOSE: The purpose of the Claims Processing Services - FY 11 Contract Performance Measures Data form is to collect FY 11 (September 1, 2010 through August 31, 2011) data specified in Contract #23620521.

INSTRUCTIONS:

1. **Date:** Enter the date the form is completed.
2. **Contractor Name:** Enter the business name of the Contractor.
3. **DFPS Contract Number:** Enter the Contractor's DFPS Contract Number.
4. **DFPS Procurement #:** Enter the DFPS Number of the IFB
5. **Name of Person Completing Form:** Enter name.
6. **Telephone Number:** Enter the telephone number of the person completing the form.
7. **E-mail Address:** Enter the e-mail address of the person completing the form.
8. **DATA ENTRY SECTION:** Enter the information requested.
9. **SUBMIT THE FORM TO DFPS:** Within 30 days following the end of the Performance Period, the Contractor will send the completed form to DFPS Contract Performance Division via e-mail as follows:

E-mail: conperf@dfps.state.tx.us

**Texas Department of Family and Protective Services
Claims Processing Services - FY11 Contract Performance Measures Data**

Date:

Contractor Name:

DFPS Contract Number:

DFPS Procurement Number:

**Name of Person Completing
Form:**

Telephone Number:

E-mail Address:

Reporting Period (Month):

Enter Data Below. DO NOT ENTER PERCENTAGES.

A. Enter the total number of checks reissued during the month being reported.

B. Enter the total number of checks reported in (A.) reissued within one (1) business day of return.

ATTACHMENT G GLOSSARY

TERM	DEFINITION
Agreement	A promise or a set of promises, for breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty. It is an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law. The term also encompasses the written document that describes the terms of the agreement. For state contracting purposes, it generally describes the terms of a purchase of goods or services from a vendor or service provider.
Amendment	A formal revision or addition to a contract.
Best Interests of the State	Most advantageous to the state in light of all relevant circumstances.
Best Value	The optimum combination of economy and quality that is the result of fair, efficient, and practical procurement decision-making and achieves procurement objectives.
Business Days	Any day other than a Saturday, a Sunday, or a day in which Texas state offices are authorized or obligated by law or executive order to be closed. [http://www.dfps.state.tx.us/ComeWorkForUs/holidays.asp]
Case Record	Any documentation and materials in both the electronic file (primarily IMPACT) and external file (primarily paper or photos) associated with a specific case.
Claims Processing	The writing, processing, accounting, and tracking of disbursements made payable and disbursed to individuals or vendors of goods and service on behalf of DFPS for the benefit of eligible DPFS clients.
Commission	Texas Health and Human Services Commission.

TERM	DEFINITION
Confidential Information	Any communication or record (whether oral, written electronically stored or transmitted, or in any other form) that consist of: (1) Confidential Client information, including Protected Health Information; (2) All non-public budget, expense, payment and other financial information; (3) All privileged Work Product; (4) All information designated by HHSC or any other State agency as confidential, including all information designated as confidential under the Texas Public Information Act, Texas Government Code, Chapter 552; (5) Unless publicly disclosed by HHSC or the State, the pricing , payments, and terms and conditions of the Agreement; and (6) Information that is utilized, developed, received, or maintained by HHSC, the Contractor, or participating State agencies for the purpose of fulfilling a duty or obligation under this Agreement and that has not been publicly disclosed.
Contact	The act or state of touching; a touching or meeting, as of two things or people.
Contract	A promise or a set of promises, for breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty. It is an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law. The term also encompasses the written document that describes the terms of the agreement. For state contracting purposes, it generally describes the terms of a purchase of goods or services from a vendor or service provider.
Contract Term	The period of time beginning with the commencement date or effective date of a contract and ending when the contract expires in accordance with its terms, or when it has been terminated. The contract term includes renewal options that have actually been exercised.
Contractor	An entity or person holding a written agreement with DFPS to provide goods and services; Bidder who is awarded a contract pursuant to this IFB solicitation.
Deliverable	A written, recorded or otherwise tangible work product prepared, developed, or procured by the contractor that is to be provided as part of the contractor's obligations under the contract. A discrete type or increment of work. The work may involve the delivery of goods or services.
Department	Texas Department of Family and Protective Services
DFPS	Texas Department of Family and Protective Services

TERM	DEFINITION
Disbursement	Money paid out; expenditure.
Effective Date	The date of complete execution of the contract or the date upon which the parties agree the contract shall take effect.
Electronic State Business Daily (ESBD)	The electronic marketplace described in Texas Government Code, § 2155.083, where state agency procurement opportunities over \$25,000 are posted.
Emergency Overnight Delivery	Next business day delivery by 10:30 a.m., 12:00 noon, or end of day, depending on destination
Financial Remedies	Liquidated damages reflecting loss and damages to the State due to Contractor failure to provide acceptable services as specified in the contract.
Financial Resources	Cash or cash equivalent resources of that are sufficiently liquid and available to the Bidder sufficient to meet the estimated minimum cash requirements for the DFPS Region (see Table 4 in the IFB) in which Bidder proposes to offer services.
Fiscal Year (State of Texas)	The period beginning September 1 and ending August 31 of each year.
Health and Human Services Commission (HHSC)	An agency of the state established by Government Code, Chapter 531.001.
Historically Underutilized Business (HUB)	A minority or women-owned business as defined by Government Code, Chapter 2161.
Indicator	The operational description of a performance measure.
Invitation for Bid (IFB)	A written document describing the goods or services in terms of deliverables and requesting Bidder submit a bid price for providing the goods or services to the State. The award is by means of competitive sealed bids.
Invoice	A contractor's bill or written request for payment under the contract for services performed.
Key Personnel	The Contractor's employees or subcontractors who are ultimately responsible for the management and delivery or financial and accounting aspects of the Home Screening, Report and Assessment Services to be contracted by this IFB.
Management	The act or art of managing the conducting or supervising of something (as a business).

TERM	DEFINITION
Methodology	A general description of the process that is used to calculate a performance measure
Negotiations	A consensual bargaining process in which the parties attempt to reach agreement on a disputed or potentially disputed matter.
Outcome	A measure that demonstrates the effect a service has on clients, typically related to improvements in the lives of clients with regard to safety, permanency, and well-being or support for DFPS staff in meeting these goals.
Performance Measure	A client outcome, a system improvement, or an administrative measure used to assess the performance of the Contractor.
Performance Period	The period of time during which performance will be measured. For Claims Processing, the Performance Period is each of the 3-month quarters of the state Fiscal Year: Sept, Oct, Nov is the first quarter; Dec, Jan, Feb is the second quarter; Mar, Apr, May is the third quarter; June, July, Aug is the fourth quarter.
Procurement	The acquisition of goods or services.
Procurement Protest Procedures	Procedures for resolving vendor protests relating to purchasing issues.
Project Management	The act or art of managing a project: the conducting or supervising of something (as a business project).
Proposal	Binding offer submitted by a Bidder in response to an Invitation for Bid (IFB).
Proprietary	Products or services manufactured or offered under exclusive rights of ownership, including rights under patent, copyright or trade secret law.
Provider	Any individual providing services under a contract to a DFPS client under a contract award as a result of this IFB.
Referral	Form 2054, Service Authorization is received by Contractor.
Reissuance	To issue again, especially to cause to become available again.
Remedies	Rights or opportunities under the terms of a contract or applicable law to take action against a contracting party to ensure performance or to redress wrongs. Some examples include the right to pursue actual damages, require corrective action plans, assess liquidated damages, seek an injunction, withhold payment, or terminate the contract.

TERM	DEFINITION
Software	All operating system and applications software used by the Contractor to provide the services described in this IFB the contract.
Specifications	A description of what the purchaser requires and what a bidder or proposer must offer. The written statement or description and enumeration of particulars of goods to be purchased or services to be performed.
Standard Terms and Conditions	The terms and conditions applicable to any contract resulting from this IFB that govern the Bid and any resulting contract.
State	The state of Texas.
State Agency	Agency of the State of Texas as defined in Texas Government Code 2056.001.
Subcontract	A written agreement between the original contractor and a third party to provide all or a specified part of the goods, services, work, and materials required in the original contract.
Subcontractor	Any individual or entity that has entered into a subcontract with contractor.