

CETS #:	24869
Agency Reference #:	

AMENDMENT # 2

TO INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

Between the State of Nevada
Acting By and Through Its

Public Entity #1:	Nevada Health Authority Nevada Medicaid
Address:	4070 Silver Sage Drive
City, State, Zip Code:	Carson City, NV 89701
Contact:	Thomas Tilton, Certified Contract Manager
Phone:	(775) 684-3676 (main)
Email:	dhcfppcu@dhcfp.nv.gov

Public Entity #2:	Clark County
Address:	500 Grand Central Parkway
City, State, Zip Code:	Las Vegas, NV 89155
Contact:	Jessica Colvin, Chief Financial Officer
Phone:	(702) 455-3324
Fax:	(702) 379-9724
Email:	Jessica.Colvin@clarkcountynv.gov

1. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract dated 05/10/2022 and amendment 1 dated 06/11/2024, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. Provide a brief explanation for contract amendment.

This is the second amendment to the original revenue interlocal agreement which provides funds for the non-federal share of the Practitioner Upper Payment Limit supplemental payment program. This amendment (1) changes the name of Public Entity #1 from Department of Health and Human Services, Division of Health Care Financing and Policy to Nevada Health Authority, Nevada Medicaid per the 83rd Legislative Session - SB494 effective July 1, 2025. The entity name changes shall be effective throughout the entire contract and its attachments and (2) it increases the maximum amount from \$6,670,085.00 to \$11,585,725.55 due to increased practitioner payments.

B. Current Contract Language:

Public Entity #1:	Department of Health and Human Services Division of Health Care Financing and Policy
Address:	1100 E. William St., Suite 101
City, State, Zip Code:	Carson City, NV 89701
Contact:	Lisa Tuttle, Contract Manager
Phone:	(775) 684-3676 (main)
Fax:	
Email:	dhcfppcu@dhcfp.nv.gov

CETS #:	24869
Agency Reference #:	

6. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following Attachments, specifically describes the Scope of Work. This Contract incorporates the following Attachments in descending order of constructive precedence:

ATTACHMENT A:	SCOPE OF WORK
---------------	---------------

Any provision, term or condition of an Attachment that contradicts the terms of this Contract, or that would change the obligations of the State under this Contract, shall be void and unenforceable.

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

Total Contract Not to Exceed:	\$6,670,085.00
-------------------------------	----------------

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

C. Amended Contract Language:

Public Entity #1:	Nevada Health Authority Nevada Medicaid
Address:	4070 Silver Sage Drive
City, State, Zip Code:	Carson City, NV 89701
Contact:	Thomas Tilton, Certified Contract Manager
Phone:	(775) 684-3676 (main)
Email:	dhcfppcu@dhcfp.nv.gov

6. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following Attachments, specifically describes the Scope of Work. This Contract incorporates the following Attachments in descending order of constructive precedence:

ATTACHMENT A:	SCOPE OF WORK (<i>revised 07/01/2025</i>)
---------------	---

Any provision, term or condition of an Attachment that contradicts the terms of this Contract, or that would change the obligations of the State under this Contract, shall be void and unenforceable.

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

Total Contract Not to Exceed:	\$11,585,725.55
-------------------------------	-----------------

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

CETS #:	24869
Agency Reference #:	

2. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract and Amendment 1) is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

[This space is intentionally left blank]

CETS #:	24869
Agency Reference #:	

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

CLARK COUNTY

Authorized Signature	Date	Title
----------------------	------	-------

ATTESTED BY:

Clark County Clerk	Date	Title
--------------------	------	-------

**NEVADA HEALTH AUTHORITY
NEVADA MEDICAID**

		Director
Stacie Weeks, JD, MPH	Date	Title

APPROVED BY BOARD OF EXAMINERS

Signature – Board of Examiners

On: _____
Date

Approved as to form by:

Deputy Attorney General for Attorney General	On: _____	Date
--	-----------	------

ATTACHMENT A
SCOPE OF WORK
(revised 07/01/2025)

PRACTITIONER UPPER PAYMENT LIMIT (UPL)
SUPPLEMENTAL PAYMENT PROGRAM

In order to preserve access to practitioner services for needy individuals in the State of Nevada at non state governmentally owned hospitals, and to recognize the higher costs incurred by teaching programs when providing said services, the State of Nevada, *Nevada Health Authority (NVHA)* shall provide Supplemental Payments to non-state, governmental owned or operated teaching hospitals.

I. SUPPLEMENTAL PAYMENTS

In consideration of these payments, Clark County (hereinafter referred to as “County”) as owners and operators of the non-state, governmental owned or operated teaching hospital in the County, University Medical Center (hereinafter referred to as “UMC”), shall make payment to *NVHA* as follows:

1. Commencing for the quarterly period July 1, 2022 through September 30, 2022 and for each quarterly period thereafter, *NVHA* shall pay UMC, not later than the last business day of the month following the preceding quarter’s end, the Supplemental Payment described in the Nevada Medicaid State Plan. Each Supplemental Payment shall be contingent upon the following:
 - a. Receipt by *NVHA* from the County in an amount corresponding to the State’s federally required participation share of the total Supplemental Payment payable to UMC;
 - b. Receipt by *NVHA* of an Administrative Fee from the County that shall be 12.5% of the total Supplemental Payment payable to UMC each quarter, at this time estimated to be \$125,000 annually or \$31,250 per quarter during the contract term.

II. FUNDING REQUIREMENTS

1. Funds used to pay the State’s federally required participation share referenced in section 1 (a) above and the Administrative Fee reference in section 1 (b) above shall be non-federal funds not used as match for any other federal grant. Funds used to pay these amounts must also meet the requirements for the State share at 42 C.F.R. 433.51
2. In the event an audit results in findings that federal funds were obtained or paid incorrectly for any activities provided under this Agreement, and those findings require repayment of such funds, the repayment will come from UMC to be determined by the audit findings. Such repayments may be obtained by offset of future payments due under this Agreement or by offset of other payments due to UMC from *NVHA*, or by any other legal means.
3. UMC shall be responsible for UMC data which forms the basis of any claim submitted or payment received by UMC. Claims must be complete and accurate as determined by MMIS.
4. Approval by the federal Centers for Medicare and Medicaid Services (“CMS”), of the payments, terms and conditions of this Agreement, are a condition precedent to the obligations of either party

under this Agreement and this agreement will therefore not be enforceable without CMS approval. The parties shall comply with any conditions imposed currently or in the future by CMS, related to the Supplemental Payments.

5. All payments under this Agreement are contingent upon:
 - a. The availability to *NVHA* of the necessary funds from the federal government; and,
 - b. The availability of funds to provide the State share of Supplemental Payments and of Administrative Fees.
6. In the event that sufficient funds, as determined by *NVHA*, are not available for any reason, *NVHA* shall not be obligated to make any payments to UMC under this Agreement. *NVHA* will notify UMC of the insufficient funds within 30 days after making that decision. If the State Share and/ or Administrative Fees have been paid to *NVHA* for a quarter in which the County has been notified there were insufficient federal funds to issue the supplemental payment as described above, the portion of the State Share and Administrative Fees that cannot be matched by Federal Funds will be returned to the County. Nothing in this Agreement shall be construed to provide UMC with a right to payment over any other entity. If any payments which are otherwise due to UMC under this Agreement are deferred because of the unavailability of sufficient funds, such payments will be made to UMC if sufficient funds later become available.

EXHIBIT A

CETS #:	24869
Agency Reference #:	

AMENDMENT #1

TO INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

Between the State of Nevada
Acting By and Through Its

Public Entity #1:	Department of Health and Human Services Division of Health Care Financing and Policy
Address:	1100 E. William St., Suite 101
City, State, Zip Code:	Carson City, NV 89701
Contact:	Sheenaflor West, Contract Manager
Phone:	(775) 684-3676 (main)
Fax:	
Email:	<u>dhcfpccu@dhcfp.nv.gov</u>

Public Entity #2:	Clark County
Address:	500 Grand Central Parkway
City, State, Zip Code:	Las Vegas, NV 89155
Contact:	Jessica Colvin, Chief Financial Officer
Phone:	(702) 455-3324
Fax:	(702) 379-9724
Email:	<u>Jessica.Colvin@clarkcountynv.gov</u>

1. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract dated May 10, 2022, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. Provide a brief explanation for contract amendment.

This is the first amendment to the original revenue interlocal agreement which provides funds for the non-federal share of the Practitioner Upper Payment Limit supplemental payment program. This amendment increases the maximum amount from \$3,595,100.00 to \$6,670,085.00 due to increased practitioner payments.

B. Current Contract Language:

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

Total Contract Not to Exceed:	\$3,595,100.00
-------------------------------	----------------

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

C. Amended Contract Language:

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

CETS #:	24869
Agency Reference #:	

Total Contract Not to Exceed:	\$6,670,085.00
-------------------------------	----------------

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

2. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.
3. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

CETS #:	24869
Agency Reference #:	

INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

A Contract Between the State of Nevada
Acting by and through its

Public Entity #1:	Department of Health and Human Services Division of Health Care Financing and Policy
Address:	1100 E. William St., Suite 101
City, State, Zip Code:	Carson City, NV 89701
Contact:	Lisa Tuttle, Contract Manager
Phone:	(775) 684-3676 (main)
Fax:	
Email:	<u>dhcfpncu@dhcfp.nv.gov</u>

Public Entity #2:	Clark County
Address:	500 Grand Central Parkway
City, State, Zip Code:	Las Vegas, NV 89155
Contact:	Jessica Colvin, Chief Financial Officer
Phone:	(702) 455-3324
Fax:	(702) 379-9724
Email:	<u>Jessica.Colvin@clarkcountynv.gov</u>

WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, it is deemed that the services hereinafter set forth are both necessary and in the best interests of the State of Nevada.

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.

2. **DEFINITIONS**

TERM	DEFINITION
State	The State of Nevada and any State agency identified herein, its officers, employees and immune contractors.
Contracting Entity	The public entities identified above.
Fiscal Year	The period beginning July 1 st and ending June 30 th of the following year.
Contract	Unless the context otherwise requires, 'Contract' means this document titled Interlocal Contract Between Public Agencies and all Attachments or Incorporated Documents.

CETS #:	24869
Agency Reference #:	

3. **CONTRACT TERM.** This Contract shall be effective as noted below, unless sooner terminated by either party as specified in *Section 4, Termination*.

Effective From:	July 1, 2022	To:	June 30, 2026
-----------------	--------------	-----	---------------

4. **TERMINATION.** This Contract may be terminated by either party prior to the date set forth in *Section 3, Contract Term*, provided that a termination shall not be effective until 30 days after a party has served written notice upon the other party. This Contract may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Contract shall be terminated immediately if for any reason State and/or federal funding ability to satisfy this Contract is withdrawn, limited, or impaired.

5. **NOTICE.** All communications, including notices, required or permitted to be given under this Contract shall be in writing and directed to the parties at the addresses stated above. Notices may be given: (a) by delivery in person; (b) by a nationally recognized next day courier service, return receipt requested; or (c) by certified mail, return receipt requested. If specifically requested by the party to be notified, valid notice may be given by facsimile transmission or email to the address(es) such party has specified in writing.

6. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following Attachments, specifically describes the Scope of Work. This Contract incorporates the following Attachments in descending order of constructive precedence:

ATTACHMENT A:	SCOPE OF WORK
---------------	---------------

Any provision, term or condition of an Attachment that contradicts the terms of this Contract, or that would change the obligations of the State under this Contract, shall be void and unenforceable.

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

Total Contract Not to Exceed:	\$3,595,100.00
-------------------------------	----------------

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

8. **ASSENT.** The parties agree that the terms and conditions listed in the incorporated Attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.

9. **INSPECTION & AUDIT**

A. **Books and Records.** Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and document as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all State and federal regulations and statutes.

B. **Inspection & Audit.** Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

CETS #:	24869
Agency Reference #:	

C. **Period of Retention.** All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. **BREACH - REMEDIES.** Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall not exceed \$150.00 per hour.
11. **LIMITED LIABILITY.** The parties will not waive and intend to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.
12. **FORCE MAJEURE.** Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, acts of public enemy, acts of terrorism, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.
13. **INDEMNIFICATION.** Neither party waives any right or defense to indemnification that may exist in law or equity.
14. **INDEPENDENT PUBLIC AGENCIES.** The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or constructed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.
15. **WAIVER OF BREACH.** Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
16. **SEVERABILITY.** If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
17. **ASSIGNMENT.** Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.
18. **OWNERSHIP OF PROPRIETARY INFORMATION.** Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.
19. **PUBLIC RECORDS.** Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.
20. **CONFIDENTIALITY.** Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

CETS #:	24869
Agency Reference #:	

21. **FEDERAL FUNDING.** In the event, federal funds are used for payment of all or part of this Contract, the parties agree to comply with all applicable federal laws, regulations and executive orders, including, without limitation the following:
- A. The parties certify, by signing this Contract, 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 Executive Orders 12549 and 12689 and Federal Acquisition Regulation Subpart 9.4, and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - B. The parties and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder, including 28 C.F.R. Section 35, inclusive, and any relevant program-specific regulations.
 - C. The parties and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964 (P.L. 88-352), as amended, 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.)
 - D. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
22. **PROPER AUTHORITY.** The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in *Section 6, Incorporated Documents*.
23. **GOVERNING LAW – JURISDICTION.** This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the exclusive jurisdiction of and venue in the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.
24. **ENTIRE AGREEMENT AND MODIFICATION.** This Contract and its integrated Attachment(s) constitute the entire agreement of the parties and as such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated Attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such Attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

CETS #:	24869
Agency Reference #:	

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

CLARK COUNTY

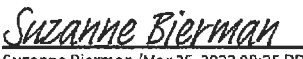
 3/15/2022
 James B. Gibson Date

Chairman, Board of County Commissioners
 Title


ATTESTED BY:

 3/15/2022
 Clark County Clerk Date

**DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS)
 DIVISION OF HEALTH CARE FINANCING AND POLICY (DHCFP)**

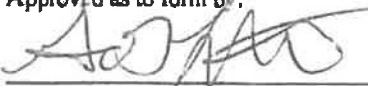
 03/25/2022
 Suzanne Bierman (Mar 25, 2022 08:25 PDT) Date
 Suzanne Bierman, JD, MPH

Administrator, DHCFP
 Title


 Signature ~ Board of Examiners

APPROVED BY BOARD OF EXAMINERS

On: MAY 10 2022
 Date

Approved as to form by:

 Deputy Attorney General for Attorney General

On: 3/23/2022
 Date

**ATTACHMENT A
SCOPE OF WORK**

**PRACTITIONER UPPER PAYMENT LIMIT (UPL)
SUPPLEMENTAL PAYMENT PROGRAM**

In order to preserve access to practitioner services for needy individuals in the State of Nevada at non state governmentally owned hospitals, and to recognize the higher costs incurred by teaching programs when providing said services, the State of Nevada, Division of Health Care Financing and Policy (DHCFP) shall provide Supplemental Payments to non-state, governmental owned or operated teaching hospitals.

I. SUPPLEMENTAL PAYMENTS

In consideration of these payments, Clark County (hereinafter referred to as "County") as owners and operators of the non-state, governmental owned or operated teaching hospital in the County, University Medical Center (hereinafter referred to as "UMC"), shall make payment to DHCFP as follows:

1. Commencing for the quarterly period July 1, 2022 through September 30, 2022 and for each quarterly period thereafter, DHCFP shall pay UMC, not later than the last business day of the month following the preceding quarter's end, the Supplemental Payment described in the Nevada Medicaid State Plan. Each Supplemental Payment shall be contingent upon the following:
 - a. Receipt by DHCFP from the County in an amount corresponding to the State's federally required participation share of the total Supplemental Payment payable to UMC;
 - b. Receipt by DHCFP of an Administrative Fee from the County that shall be 12.5% of the total Supplemental Payment payable to UMC each quarter, at this time estimated to be \$125,000 annually or \$31,250 per quarter during the contract term.

II. FUNDING REQUIREMENTS

1. Funds used to pay the State's federally required participation share referenced in section 1 (a) above and the Administrative Fee reference in section 1 (b) above shall be non-federal funds not used as match for any other federal grant. Funds used to pay these amounts must also meet the requirements for the State share at 42 C.F.R. 433.51
2. In the event an audit results in findings that federal funds were obtained or paid incorrectly for any activities provided under this Agreement, and those findings require repayment of such funds, the repayment will come from UMC to be determined by the audit findings. Such repayments may be obtained by offset of future payments due under this Agreement or by offset of other payments due to UMC from DHCFP, or by any other legal means.
3. UMC shall be responsible for UMC data which forms the basis of any claim submitted or payment received by UMC. Claims must be complete and accurate as determined by MMIS.
4. Approval by the federal Centers for Medicare and Medicaid Services ("CMS"), of the payments, terms and conditions of this Agreement, are a condition precedent to the obligations of either party under this Agreement and this agreement will therefore not be enforceable without CMS approval.

The parties shall comply with any conditions imposed currently or in the future by CMS, related to the Supplemental Payments.

- 5. All payments under this Agreement are contingent upon:
 - a. The availability to DHCFP of the necessary funds from the federal government; and,**
 - b. The availability of funds to provide the State share of Supplemental Payments and of Administrative Fees.****

- 6. In the event that sufficient funds, as determined by DHCFP, are not available for any reason, DHCFP shall not be obligated to make any payments to UMC under this Agreement. DHCFP will notify UMC of the insufficient funds within 30 days after making that decision. If the State Share and/ or Administrative Fees have been paid to DHCFP for a quarter in which the County has been notified there were insufficient federal funds to issue the supplemental payment as described above, the portion of the State Share and Administrative Fees that cannot be matched by Federal Funds will be returned to the County. Nothing in this Agreement shall be construed to provide UMC with a right to payment over any other entity. If any payments which are otherwise due to UMC under this Agreement are deferred because of the unavailability of sufficient funds, such payments will be made to UMC if sufficient funds later become available.**