

Exhibit A

Substance Abuse Prevention and Treatment (SAPT) Block Grant Contract Supplement

The following are important details regarding federal award requirements for Contractors funded with SAPT Block Grant funds:

- The Catalog of Domestic Federal Assistance (CFDA) number for the SAPT Block Grant is 93.959.
- The award period covers the term identified in the Statement of Work. Renewals are at the sole discretion of the State and the availability of SAPT federal block grant funds.

As a subrecipient of the SAPT Block Grant, the Contractor must adhere to each of the applicable requirements below:

45 CFR § 96.127 Requirements Regarding Tuberculosis (TB)

1. The Contractor must, directly or through arrangements with other public or nonprofit private entities, routinely make available the following TB services to each individual receiving treatment for substance abuse:
 - a) Counseling the individual with respect to TB
 - b) Testing to determine whether the individual has been infected with mycobacteria TB to determine the appropriate form of treatment for the individual
 - c) Appropriate medical evaluation and treatment for individuals infected by mycobacteria TB
2. For clients denied admission on the basis of lack of capacity, the Contractor must refer such clients to other providers of TB services.
3. The Contractor must have infection control procedures that are consistent with those established by Texas Department of State Health Services, Infectious Disease Control Unit, to prevent the transmission of TB and that address the following:
 - a) Screening and identifying those individuals who are at high risk of becoming infected
 - b) Meeting all State reporting requirements while adhering to Federal and State confidentiality requirements, including 42 CFR part 2
 - c) Case management activities to ensure that individuals receive such services
4. The Contractor must report all individuals with active TB to the Texas Department of State Health Services, Infectious Disease Control Unit, as required by State law and in accordance with Federal and State confidentiality requirements, including 42 CFR part 2.

45 CFR § 96.131 Treatment Services for Pregnant Women

1. The Contractor must give preference in admission to pregnant women who seek or are referred for and would benefit from Block Grant-funded treatment services.
2. If the Contractor serves an injecting drug-abusing population, the Contractor must give preference to treatment as follows:
 - a) Pregnant injecting drug users
 - b) Other pregnant substance abusers
 - c) Other injecting drug users
 - d) All others
3. The Contractor must refer pregnant women to the State when the Contractor has insufficient capacity to provide services to any such pregnant women who seek the services of the program.
4. The Contractor must make interim services available within 48 hours to pregnant women who cannot be admitted because of lack of capacity.
5. The Contractor must offer interim services, when appropriate, that include, at a minimum¹, the following:
 - a) Counseling and education about HIV and TB, the risks of needle-sharing, the risks of transmission to sexual partners and infants, and steps that can be taken to ensure that HIV and TB transmission does not occur
 - b) Referral for HIV or TB treatment services, if necessary
 - c) Counseling pregnant women on the effects of alcohol and other drug use on the fetus
 - d) Refer pregnant women for prenatal care

45 CFR § 96.132 Additional Requirements

1. The Contractor must make continuing education in substance abuse treatment and prevention available to employees who provide the services.
2. The Contractor must have in effect a system to protect patient records from inappropriate disclosure, and the system must:
 - a) Comply with all applicable State and Federal laws and regulations, including 42 CFR part 2
 - b) Include provisions for employee education on confidentiality requirements and the fact that disciplinary action may occur upon inappropriate disclosure

¹ Interim services may also include federally approved interim methadone maintenance.

45 CFR § 96.135 Restrictions on the Expenditure of the Grant

1. The Contractor cannot expend SAPT Block Grant funds to provide inpatient hospital substance abuse services, except in cases when each of the following conditions is met:
 - a) The individual cannot be effectively treated in a community-based, nonhospital, residential treatment program
 - b) The daily rate of payment provided to the hospital for providing the services does not exceed the comparable daily rate provided by a community-based, nonhospital, residential treatment program
 - c) A physician makes a determination that the following conditions have been met:
 - i) The primary diagnosis of the individual is substance abuse, and the physician certifies that fact
 - ii) The individual cannot be safely treated in a community-based, nonhospital, residential treatment program
 - iii) The service can reasonably be expected to improve the person's condition or level of functioning
 - iv) The hospital-based substance abuse Contractor follows national standards of substance abuse professional practice
 - d) The service is provided only to the extent that it is medically necessary (e.g., only for those days that the patient cannot be safely treated in a residential, community-based program)
2. Further, the Contractor cannot expend SAPT Block Grant funds to:
 - a) Purchase or improve land; purchase, construct, or permanently improve (other than minor remodeling) any building or other facility; or purchase major medical equipment
 - b) Satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds
 - c) Provide financial assistance to any entity other than a public or nonprofit private entity
 - d) Make payments to intended recipients of health services
 - e) Provide individuals with hypodermic needles or syringes
 - f) Provide treatment services in penal or correctional institutions of the State

45 CFR § 96.137 Payment Schedule

The Contractor must ensure that SAPT Block Grant funds for special services for pregnant women and women with dependent children, TB services, and HIV early intervention services are the “payment of last resort,” and the Contractor must make every reasonable effort to do the following to pay for these services:

1. Collect reimbursement for the costs of providing such services to persons entitled to insurance benefits under the Social Security Act, including programs under Title XVIII and Title XIX, any State compensation program, any other public assistance program for medical expenses, any grant program, any private health insurance, or any other benefit program.
2. Secure from individuals or clients payments for services in accordance with their ability to pay.

Audit

The Contractor shall adhere to the following requirements:

1. If the Contractor expends \$500,000 or more in Federal financial assistance during the program’s fiscal year, an independent financial and compliance audit must be completed by a Certified Public Accounting firm in accordance with Office of Management and Budget (OMB) Circular A-133. The Contractor must submit two copies of the audit report to the State’s Health and Human Services Commission Contract Oversight and Support, and the Office of Inspector General within thirty (30) calendar days of receipt of the audit reports required by the Independent Single or Program-Specific Audit section of the State’s General Provisions or Universal Terms and Conditions.
2. The Contractor must also submit a data collection form and reporting package to the Federal Audit Clearinghouse.
3. The Contractor may access the Transactions List report in the Clinical Management for Behavioral Health Services (CMBHS) system to identify the amount of Federal Financial Assistance included in this award by each transaction.
4. If the A-133 audit report includes findings or questioned costs, the Contractor may be required to develop and implement a corrective action plan that addresses the audit findings and recommendations contained therein. The Contractor must submit the corrective action plan to the State’s Health and Human Services Commission, Office of Inspector General (OIG) by the designated due date identified in the OIG Agency Findings Letter.
5. The Contractor must retain records to support expenditures and make those records available for review or audit by appropriate officials of SAMHSA, the awarding agency, the General Accountability Office and/or their representatives.

Salary Limitation

The Contractor cannot use the SAPT Block Grant to pay salaries in excess of Level I of the Federal Senior Executive pay scale.

Charitable Choice

1. If the Contractor is an SAPT Block Grant-funded Contractor that is part of a faith-based organization, the Contractor may:
 - a) Retain the authority over its internal governance
 - b) Retain religious terms in its name
 - c) Select board members on a religious basis
 - d) Include religious references in the mission statements and other governing documents
 - e) Use space in its facilities to offer Block Grant-funded activities without removing religious art, icons, scriptures, or other symbols
2. If the Contractor is part of a faith-based organization, the Contractor cannot use SAPT Block Grant funds for inherently religious activities such as the following:
 - a) Worship
 - b) Religious instruction
 - c) Proselytization
3. The Contractor may only engage in religious activities listed under 2. above if both of the following conditions are met:
 - a) The activities are offered separately, in time or location, from Block Grant-funded activities
 - b) Participation in the activities is voluntary
4. In delivering services, including outreach activities, SAPT Block Grant-funded religious organizations cannot discriminate against current or prospective program participants based upon:
 - a) Religion
 - b) Religious belief
 - c) Refusal to hold a religious belief
 - d) Refusal to actively participate in a religious practice
5. If an otherwise eligible client objects to the religious character of the Contractor, the Contractor shall refer the client to an alternative provider within a reasonable period of time of the objection.
6. If the Contractor is a religious organization, the Contractor must:
 - a) Use generally accepted auditing and accounting principles to account for SAPT Block Grant funds similar to other nongovernmental organizations.

- b) Segregate Federal funds from non-Federal funds.
- c) Subject Federal funds to audits by the government.
- d) Apply Charitable Choice requirements to commingled funds when State/local funds are commingled with Block Grant funds.

45 CFR § 96.126 Capacity of Treatment for Intravenous Substance Abusers

If the Contractor treats injecting drug users, the Contractor must:

1. Within seven (7) days, notify the State whenever the Contractor has reached 90 percent of its treatment capacity.
2. Admit each individual who requests and is in need of treatment for intravenous drug abuse:
 - a) No later than fourteen (14) days after making the request, or
 - b) Within 120 days of the request if the Contractor has no capacity to admit the individual, the Contractor makes interim services available within 48 hours, and the Contractor offers the interim services until the individual is admitted into a substance abuse treatment program
3. Offer interim services, when appropriate, that include, at a minimum, two (2) of the following:
 - a) Counseling and education about HIV and tuberculosis (TB), the risks of needle-sharing, the risks of transmission to sexual partners and infants, and steps that can be taken to ensure that HIV and TB transmission do not occur
 - b) Referral for HIV or TB treatment services, if necessary
 - c) Counseling pregnant women on the effects of alcohol and other drug use on the fetus and referrals for prenatal care for pregnant women
4. Maintain a waiting list that includes a unique individual identifier for each injecting drug abuser seeking treatment, including individuals receiving interim services while awaiting admission.
5. Maintain a mechanism that enables the program to:
 - a) Maintain contact with individuals awaiting admission
 - b) Consult with the State's capacity management system to ensure that waiting list clients are admitted or transferred to an appropriate treatment program within a reasonable geographic area at the earliest possible time

² Interim services may also include federally approved interim methadone maintenance.

6. Take clients awaiting treatment for intravenous substance abuse off the waiting list only when such persons:
 - a) Cannot be located for admission into treatment, or
 - b) Refuse treatment

7. Carry out activities to encourage individuals in need of treatment services for intravenous drug abuse to undergo such treatment by using scientifically sound outreach models, such as those outlined below or, if no such models are applicable to the local situation, another approach which can reasonably be expected to be an effective outreach method:
 - a) The standard intervention model as described in The NIDA Standard Intervention Model for Injection Drug Users: Intervention Manual, National AIDS Demonstration Research (NADR) Program, National Institute on Drug Abuse, (Feb. 1992)
 - b) The health education model as described in Rhodes, F., Humfleet, G.L. et al., AIDS Intervention Program for Injection Drug Users: Intervention Manual, (Feb. 1992)
 - c) The indigenous leader model as described in Wiebel, W., Levin, L.B., The Indigenous Leader Model: Intervention Manual, (Feb. 1992)

8. Ensure that outreach efforts (have procedures for):
 - a) Selecting, training, and supervising outreach workers
 - b) Contacting, communicating, and following up with high-risk substance abusers, their associates, and neighborhood residents within the constraints of Federal and State confidentiality requirements
 - c) Promoting awareness among injecting drug abusers about the relationship between injecting drug abuse and communicable diseases such as HIV
 - d) Recommending steps that can be taken to ensure that HIV transmission does not occur

45 CFR § 96.128 Requirements Regarding HIV³

If the Contractor is an early intervention Contractor, the Contractor must make the following services available at the sites at which individuals are undergoing treatment for substance abuse:

1. Appropriate HIV/AIDS pre- and post-test counseling
2. Appropriate HIV/AIDS tests:
 - a) To diagnose the extent of the deficiency in the immune system

³ Section 96.128 should be deleted if your State is not an HIV-Designated State.

- b) To provide information on appropriate therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from the disease
3. Therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from the disease

The Contractor must have established linkages with a comprehensive community resource network of related health and social services organizations to ensure a wide-based knowledge of the availability of these services and to facilitate referral.

The Contractor must also ensure that HIV early intervention services are undertaken voluntarily, provided with clients' informed consent, and are not required as a condition of receiving substance abuse treatment or any other services.

45 CFR § 96.124 Certain Allocations: (*Required Services for Programs Receiving Block Grant Funds Set Aside for Pregnant Women and Women with Dependent Children*)

If the Contractor receives SAPT Block Grant funds set aside for special services for pregnant women and women with dependent children (including women attempting to regain custody of their children), the Contractor must provide or arrange for the following:

1. Primary medical care, including prenatal care, for women who are receiving substance abuse services
2. Childcare while the women are receiving services
3. Primary pediatric care for the women's children, including immunizations
4. Gender-specific substance abuse treatment and other therapeutic interventions for women that may address issues of relationships, sexual abuse, physical abuse, and parenting
5. Therapeutic interventions for children in custody of women in treatment which may, among other things, address the children's developmental needs and their issues of sexual abuse, physical abuse, and neglect
6. Sufficient case management and transportation services to ensure that the women and their children have access to the services provided by (1.) through (5.) above

The Contractor must also treat the family as a unit and, therefore, admit both women and their children into treatment services, if appropriate.⁴

Optional Service Requirements for All SAPT Block Grant-funded Programs that Provide (Substance Abuse) Services to Women

The Contractor must provide pregnant women, women with dependent children, and their children, either directly or through linkages with community-based organizations, a comprehensive range of

⁴ Such an admission may not be appropriate, however, if, for example, the father of the child(ren) is able to adequately care for the child(ren).

services to include:

1. Case management to assist in establishing eligibility for public assistance programs provided by Federal, State, or local governments
2. Employment and training programs
3. Education and special education programs
4. Drug-free housing for women and their children
5. Prenatal care and other health care services
6. Therapeutic day care for children
7. Head Start
8. Other early childhood programs