

**Instructions/annotation for preparation of this contract:**

**Lines** “ \_\_\_\_\_ ” are provided to be filled in with names, addresses, procedures, etc.

**Square brackets** “ [    ] ” denote material that needs to be deleted, modified, or added to.

**Singe asterisk** “\*” at the start of a section, denote sections that may be omitted.

**Double asterisks** “\*\*” at the start of a section, denote sections that may be omitted under certain circumstances as noted below that section.

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**Pharmacy Service Contract for the  
Maryland Cancer Education, Prevention, Screening, Diagnosis, and Treatment Program**

**Preamble**

Whereas the State of Maryland has awarded funds to the State of Maryland Department of Health and Mental Hygiene (DHMH) for the purposes of prevention, early detection and treatment of colon and rectal cancer for low income Maryland residents, and

Whereas the DHMH has awarded funds to the local health departments in each jurisdiction in the state to coordinate the provision of clinical services including screening, and linkage to diagnostic, treatment and follow-up services, and

Whereas it is necessary for each local health department to contract with local providers of pharmacy services.

Whereas the State of Maryland DHMH has mandated certain requirements be agreed to in regard to the provision of these services.

Now, therefore, the Local Health Department and pharmacy provider, as specified below, agree as follows:

This agreement, entered into on \_\_\_\_\_ by and between the \_\_\_\_\_ Local Health Department, hereinafter called the “LHD”, and \_\_\_\_\_ (pharmacy), hereinafter called the “Contractor,” shall commence on \_\_\_\_\_ and shall terminate on \_\_\_\_\_ and shall be subject to one-year renewal(s) or extension(s) with modification(s) up to four (4) times by both parties on an annual basis. This agreement shall be for the purpose of providing clinical services as specified in Part I., Section A., below, only to clients referred to the Contractor by the LHD under the conditions specified below.

Part I. The Contractor agrees to:

**Services**

A. Provide the following pharmacy services to clients referred by the LHD:

- [list pharmaceuticals covered by this contract]

**Billing**

B. \*\* Submit all claims for reimbursement under this Contract to all insurance providers that provide insurance coverage for the patient before such claims are submitted to the LHD for payment.

*\*\* Needed if a patient referred under this contract may have other insurance that must be billed before the LHD Cancer program is to be billed.*

C. \*\* Append to all claims submitted to the LHD for payment under this Contract proof (explanation of benefits) that such claims have been denied in whole or in part by all of the insurance providers of the patient.

*\*\* Needed if a patient referred under this contract may have other insurance that must be billed before the LHD Cancer program is to be billed.*

D. Not bill a patient for any charge for the pharmaceuticals listed in Part I., Section A., above, subject to the provisions of Part III., Section B, below.

E. Not bill the LHD for any service other than the pharmaceuticals listed in Part I, Section A. above, and LHD-approved procedures or physician office visits.

F. Provide one or more of the pharmaceuticals listed in Part I., Section A., above, at a cost not to exceed [the amount on the attached reimbursement schedule, or any schedule that may be substituted by the LHD on a yearly basis by the LHD due to changes in federal Medicare or Medicaid reimbursement rate] [5 % less than the federal Medicare reimbursement rates for that product] or [pharmacy acquisition cost].

G. Include on each bill the Contractor's name, address, and Federal Tax Identification or Social Security Number, the patient's name, the service provided, the date the service was provided, the cost for each service, and the amount that is due and owing.

H. Obtain payment for services by billing \_\_\_\_\_ of the LHD at the following address: \_\_\_\_\_

I. Submit a bill for the reimbursable laboratory service rendered within 9 months of the date of service(s).

*Other*

- J. Comply with the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. §§1320d et seq. and 45 CFR Parts 160 and 164, HIPAA) and the Maryland Confidentiality of Medical Records Act (Md. Code Ann., Health-General, §§4-301 et seq.) as they apply to Contractor's operations pursuant to this agreement.
- K. Not be in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and not become in arrears during the term of this Contract.
- L. (1) Not discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or physical or mental handicap unrelated in nature and extent so as to reasonably preclude the performance of such employment; (2) include a provision similar to that contained in subsection (1) above, in any subcontract except a subcontract for standard commercial supplies or raw materials; and (3) post and cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

Part II. The LHD agrees to:

- A. Pay the Contractor pursuant to the attached reimbursement schedule, or any schedule that may be substituted for the attached schedule on a yearly basis by the LHD due to changes in the Medicare or Medicaid reimbursement rates, only for clinical services listed in Part I, Section A., above, and no other pharmaceuticals unless pre-approved by the LHD.
- B. Communicate with the Contractor regarding clinical, insurance, case management, and billing information.

Part III. The Contractor and the LHD agree that:

- A. This contract is funded with State funds appropriated by the Maryland General Assembly under the Cigarette Restitution Fund (State Finance and Procurement Article, § 7-317, Annotated Code of Maryland).
- B. Funds from the LHD under this contract are funds of last resort. Payment by the LHD for clinical services to the Contractor will cease in any given fiscal year when the LHD Cancer Education, Prevention, Screening, Diagnosis and Treatment grant funds are depleted. The Contractor shall bill the patient for additional services provided by the Contractor after funds are depleted using the Contractor's usual and customary billing methods.
- C. The Contractor shall bill the patient for services provided by the Contractor that are not part of this contract and not approved by the LHD using the Contractor's usual and customary billing methods.

- D. If funds for LHD payment for services are depleted, the Contractor and the LHD [Case Manager] shall continue to communicate regarding clinical and case management issues.
- E. Bills submitted after nine (9) months from the date of service will not be reimbursed.
- F. The Contractor is not covered by the Maryland Tort Claims Act.
- G. The LHD is not a “Business Associate” of the contractor under HIPAA.
- H. Regarding HIPAA:
  1. The activities covered by this agreement constitute treatment, payment, or health care operations as defined in HIPAA regulations at 45 CFR §164.501;
  2. The LHD is a public health authority (defined in 164.501) and as authorized by the Cigarette Restitution Fund law (MD Ann. Code of Health General Article §§ 13-1101 to 13-1119) is seeking to collect or receive information under a previously executed grant agreement with the LHD for the purpose of preventing or controlling disease, injury or disability and for the purpose of conducting public health surveillance, investigations and interventions; and, further,
  3. The LHD is engaged in health oversight activities (as defined in 164.501) required by the Cigarette Restitution Fund law to oversee this government program.
  4. It is therefore agreed that the patient information (medical and billing) that the Contractor is required to provide to the LHD in Part Section I., above, **[insert correct section numbers that apply to your contract if you have changed them from this template]** may be provided pursuant to HIPAA regulations at (42 U.S.C. §§ 1320d et seq. and 45 CFR Parts 160 and 164, HIPAA) and the Maryland Confidentiality of Medical Records Act (Md. Code Ann., Health-General, §4-301 et seq.) without prior express authorization from the patient or the patient's representative.

I. The Contract Monitor for the LHD is:

Name (typed) \_\_\_\_\_  
 Title (typed) \_\_\_\_\_  
 Business Address (typed) \_\_\_\_\_  
 \_\_\_\_\_  
 Business Telephone Number (typed) \_\_\_\_\_

The LHD Contract Monitor is the primary point of contact for the LHD for matters relating to this contract. The Contractor shall contact this person immediately if the Contractor is unable to fulfill any of the requirements of this contract or has any questions regarding the interpretation of the provisions of the contract.

J. The Contract Monitor for the Contractor is:

Name (typed) \_\_\_\_\_

Title (typed) \_\_\_\_\_

Business Address (typed) \_\_\_\_\_

Business Telephone Number (typed) \_\_\_\_\_

The Contractor Contract Monitor is the primary point of contact for matters relating to this contract. The Contractor Contract Monitor shall contact the LHD Contract Monitor immediately if the Contractor is unable to fulfill any of the requirements for the contract or if there are any questions regarding the interpretation of the provisions of the contract.

- K. This contract may be terminated by either the Contractor or the LHD by giving 14 calendar days prior written notice to the other party's Contract Monitor. In the event of a contract termination, the LHD will pay the contractor all reasonable costs associated with this contract that the Contractor has incurred to the date of termination.
- L. The following attached document(s) is (are) incorporated into and hereby made a part of this contract:
  - 1. The reimbursement schedule or any schedule that may be substituted on a yearly basis by the LHD for the attached schedule due to changes in federal Medicare or Medicaid reimbursement rates.

In witness whereof, these authorized representatives of the Contractor and the LHD hereby set forth their signatures showing their consent for the Contractor and the LHD to abide by the terms of this contract.

For the Contractor

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name (printed)

\_\_\_\_\_  
Title (printed)

\_\_\_\_\_  
Date of Signing

For the LHD

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name (printed)

\_\_\_\_\_  
Title (printed)

\_\_\_\_\_  
Date of Signing