EXHIBIT F – METHOD OF PAYMENT

F.1 PAYMENT CLAUSE

This Contract is comprised of federal and state funds, subject to reconciliation. The **Exhibit F1 - Funding Detail** identifies the type and amount of funding provided. At the beginning of each fiscal year, the **Exhibit F1 - Funding Detail** shall be amended into this Contract, and the total contract amount shall be adjusted accordingly, on an annual basis.

The Contract total dollar amount shall not exceed $_________, subject to the availability of funds from the Department. The Managing Entity shall pay the Network Service Provider a prorated amount not to exceed one-twelfth of the contracted amount or the equal proportion of the approved contracted amount according to the contract period each month.

a. The Managing Entity shall pay the Network Service Provider for the delivery of services provided in accordance with the terms and conditions of the ___________ payment methodology.

(1) If the Network Service Provider has special funding with varying methods of payment, the special funding Attachment will outline the method of payment for that program.

(2) For all special funding paid using a fixed rate payment methodology:

(a) The total monthly payment amount shall not exceed one-twelfth of the contract amount or the equal proportion of the approved contracted amount according to the contract period . The payment amount shall be included as a line item in the Network Service Provider’s **Template I - Invoice** under the regular contract with the following documentation provided as support.

(b) The Network Service Provider shall submit the **Template O – Expenditure Reconciliation Report** which will outline expenses incurred. This report shall be submitted on or before the 8th of the month following the end of each quarter. The Managing Entity reserves the right to request monthly Expenditure Reconciliation reports, depending on the Network Service Providers rate of spending, to perform an invoice reconciliation at any point within a fiscal year.

(c) All funds paid under the fixed rate methodology must be accounted for through this reconciliation process and any funding not accounted for is subject to repayment to LSF Health Systems.

(d) LSF Health Systems reserves the right to request substantiating documentation to support the line items submitted by the Network Service Provider in the Expenditure Reconciliation Report.

(e) LSF Health Systems will audit substantiating documentation outlined in the Expenditure Reconciliation Report as part of its monitoring and oversight process.

(f) Network Service Provider shall return to LSF Health Systems any unused funds and unmatched grant funds, as documented in the final Expenditure Reconciliation Report, no later than 60 days following the ending date of the subcontract.

(g) The Department of Children and Families CFOP 75-02 and Uniform Guidance govern fixed rates under this contract. The provisions therein are incorporated herein by reference.

(h) Reimbursement shall be made for actual, allowable expenditures within the limits of the latest version of the approved budget at the time that the invoice is processed.

(i) Mileage for travel will be reimbursed at a rate not to exceed $0.445 per mile, the current rate established by the State of Florida.

(3) For all special funding paid using a cost reimbursement payment methodology:

(a) The total monthly payment amount shall not exceed one-twelfth of the contract amount or the equal proportion of the approved contracted amount according to the contract period. The payment amount shall be included as a line item in the Network Service Provider's Exhibit I Invoice under the regular contract with the following documentation provided as support.

(b) The Network Service Provider shall submit the **Template P - Cost Reimbursement Report - Part 1 and Part 2** which will outline expenses incurred. This report shall be submitted on or before the 8th of the month following the month for which payment is being requested along with all substantiating documentation and/or receipts.

(c) All funds paid under the cost reimbursement methodology must be accounted for through the Cost Reimbursement Report and any funding not accounted for is subject to repayment to LSF Health Systems.

(d) LSF Health Systems reserves the right to request substantiating documentation to support the line items submitted by the Network Service Provider in the Cost Reimbursement Report.

(e) LSF Health Systems will audit substantiating documentation outlined in the Cost Reimbursement Report as part of its monitoring and oversight process.

(f) Network Service Provider shall return to LSF Health Systems any unused funds, as documented in the final Cost Reimbursement Report, no later than 60 days following the ending date of the subcontract.

(g) The Department of Children and Families CFOP 75-02 and Uniform Guidance govern cost reimbursement under this contract. The provisions therein are incorporated herein by reference.

(h) Reimbursement shall be made for actual, allowable expenditures within the limits of the latest version of the approved budget at the time that the invoice is processed.

(I) Mileage for travel will be reimbursed at a rate not to exceed $0.445 per mile, the current rate established by the State of Florida.

F.2 <u>INVOICE REQUIREMENTS</u>

a. In accordance with the terms and conditions of this contract, the Network Service Provider shall submit monthly data to generate an invoice no later than the 8th calendar day following the month for which payment is being requested, in the form of person and non-person specific data with adequate supporting documentation and appropriate data on service utilization and individuals served, in accordance with the DCF Data System Guidelines:

(1) The Network Service Provider shall attest and certify as to each monthly data submission for invoicing that, at the time of submission, no other funding source was known for the included services. This attestation shall be contained in the body of the electronic message when submitting the invoice by the 8th.

(2) Allowable covered services within a bundled rate, as defined by the FASAMS Pamphlet 155-2, must be reported as the actual covered service (i.e. Case Management, Medical Services, etc.). This is also known as “encounter data”.

b. Failure to submit properly complete and accurate invoice data shall prevent the authorization of payment.

c. Within ten (10) business days of receipt of properly completed invoice data from the Network Service Provider, the Network Manager, or designee, shall either approve the invoice for payment or notify the Network Service Provider of any deficiencies that must be corrected by the Network Service Provider.

d. Failure to submit the required documentation shall cause payment to be delayed until such documentation is received.

e. The Managing Entity shall make payment not more than thirty-five (35) days from the date eligibility for payment is determined, subject to the availability of funds from the Department.

f. The Network Service Provider will be paid based upon the accepted data entered into the Managing Entity’s reporting system.

g. Following the conclusion of each state fiscal year, the Network Service Provider shall submit invoice data for the final invoice to the Managing Entity no later than July 31st.

h. The Managing Entity reserves the right to request additional documentation to support the payment of an invoice at any time.

i. The Network Service Provider must provide acceptable justification and/or correct data in the Managing Entity’s reporting system for all “flagged” services appearing on the monthly invoice.

F.3 <u>ALLOWABLE COSTS</u>

a. All costs associated with performance of the services contemplated by this Contract must be both reasonable and necessary and in compliance with the Cost Principles pursuant to 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 300.1 – Adoption of 2 CFR Part 200, 45 CFR Part 75 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Requirements for HHS Awards - Subpart E, The Reference Guide for State Expenditures, and Ch. 65E-14, F.A.C.

b. Unless otherwise specified in writing by the federal grant issuing agency, none of the funds provided under any federal grants may be used to pay the salary of an individual at a rate in excess of Level II of the Executive Schedule, published but the U.S. Office of Personnel Management at: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/

c. Any compensation paid for an expenditure subsequently disallowed as a result of the Network Service Provider’s non-compliance with state or federal funding regulations shall be repaid to the Managing Entity upon discovery.

d. Invoices must be dated, signed by an authorized representative of the Network Service Provider and submitted in accordance with the submission schedule in this contract, with appropriate service utilization and Individuals Served data accepted into the Managing Entity’s Data System, in accordance with PAM 155-2.

e. The Network Service Provider is required to submit a new Form W-9 through the DFS website at http://flvendor.myfloridacfo.com. This website provides a new substitute Form W-9 that is unique to Florida and collects and integrates the information with other electronic data to facilitate payment. Consequently, all Network Service Providers, regardless of their business type, size, or tax status, who have not already completed this requirement must use this website and complete the required information. The DFS W-9 system includes a verification of the data submitted with the Internal Revenue Service (IRS). Mismatches shall be identified and returned to the grant recipients for resolution. DFS shall reject invoices from grant recipients who have not submitted a new substitute W-9 that has been validated by the IRS.