



Southwest Health and Human Services
 Board Agenda
 Wednesday, December 17, 2014
 Government Center, 2nd Floor
 Marshall
 9:00 a.m.

HUMAN SERVICES

- A. Call to order
- B. Pledge of Allegiance
- C. Consent Agenda
 - 1. Amend/Approval of Agenda
 - 2. Identification of Conflict of Interest
 - 3. Approval of 11/19/14 board minutes
- D. Financial
- E. Caseload

	11/14	10/14	09/14
Social Service	3,780	3,697	3,735
Licensing	496	493	498
Out-of-Home Placements	133	131	127
Income Maintenance	12,752	12,394	12,962
Child Support Cases	3,568	3,587	3,573
Child Support Collections	\$743,747	\$882,606	\$890,262
Non IV-D Collections	\$ 46,428	\$156,518	\$51,385
- F. Decision Items
 - 1. Social Service Policy Number 10 – Court Visitor Policy
 - 2. Social Service Policy Number 16 – Payment: Guardianship for Incapacitated Persons
 - 3. 2015 budget
 - 4.
- G. Discussion/Information
 - 1.

COMMUNITY HEALTH

- H. Call to order
- I. Consent Agenda
 - 1. Amend/Approval of Agenda
 - 2. Identification of Conflict of Interest
 - 3. Approval of 11/19/14 board minutes

J. Financial

K. Caseload	11/14	10/14	09/14
WIC		2269	2273
Family Home Visiting	92	86	54
PCA Assessments	21	21	34
Managed Care	235	255	203
Dental Varnishing	72	96	92
Refugee Health	1	2	0
Latent TB Medication Distribution	28	30	31

- L. Decision Items
 - 1. 2015 PH Fees
 - 2. Lab Fees – Jason Kloss
 - 3. FPL update – Jason Kloss
 - 4. 2015 budget

M. Discussion/Information

- 1.

GOVERNING BOARD

N. Call to order

- O. Consent Agenda
 - 1. Amend/Approval of Agenda
 - 2. Identification of Conflict of Interest
 - 3. Approval of 11/19/14 board minutes

P. Financial

Q. Introduce new staff members; Sarah Kirchner, Collections Officer; Kelly Meyeraan, Wendy Bossuyt, Michelle Schutz, Eligibility Workers; Corrie Weizel, Dawn Popowski, Social Workers; and Rachel Vierra, Public Health Educator

- R. Employee Recognition
 - Janet Bush, 1 year, Registered Dietician, Pipestone
 - Alicia Schmidt, 1 year, Public Health Educator, Marshall
 - Shandra Bavier, 5 years, Social Worker, Redwood Falls

GOVERNING BOARD (cont.)

- S. Decision Items
1. Alicia Schmidt, Public Health Educator, completion of 12 month probationary period, no salary increase, effective 12/23/14
 2. Janet Bush, Registered Dietician, completion of 12 month probationary period, no salary increase, effective 12/30/14
 3. Betsy Plotz, Registered Dietician, probationary appointment (12 months), \$22.50 per hour, effective 12/15/14
 4. Kristofer Lee, Child Support Officer, probationary appointment (12 months), \$16.75 per hour, effective 12/15/14
 5. Kristi Bergeron, Eligibility Worker, probationary appointment (12 months), \$20.00 per hour, effective 12/15/14
 6. Danielle Ossefoort, Social Worker, probationary appointment (6 months), no salary change, effective 12/22/14
 7. Abbie Stough, Social Worker, leave without pay request
 8. Julia Vick, Office Support Specialist, resignation, effective 12/12/14
 9. Request for Office Support Specialist
 10. Personnel Policy Number 5 – Use of Vehicles for Agency Business
 11. Personnel Policy Number 7 – Staff Development
 12. Personnel Policy Number 14 – Wellbeing Policy
 13. Administrative Policy Number 1 – Data Privacy Policy and Procedures
 14. Administrative Policy Number 10 –LAN, E-Mail, Internet Access, and Personal Computing Equipment
 15. Administrative Policy Number 14 – Health Care Insurance Portability & Accounting Act (HIPAA)
 16. Accounting Policies and Procedures
 17. Contracts
 18. Board meeting dates for 2015
 19. Designated Depositories for 2015
 20. Resolution of Signature Authority
 21. 2014 audit engagement letter
 22. Indigital request
 23. Labor Agreements – Human Services & Public Health
 24. 2015 budget
 - 25.
 - 26.
- T. Discussion/Information
1. Investments
- U. Adjournment

Next Meeting Dates:

- **Wednesday, January 21, 2015 – Marshall**
- **Wednesday, February 18, 2015 – Marshall**
- **Wednesday, March 18, 2015 - Marshall**

SOUTHWEST HEALTH & HUMAN SERVICES

Ivanhoe, Marshall, Slayton, Pipestone, Redwood and Luverne Offices

SUMMARY OF FINANCIAL ACCOUNTS REPORT

For the Month Ending: **November 30, 2014**

*** Income Maintenance * Social Services * Information Technology * Health ***

Description	Month	Running Balance
BEGINNING BALANCE		\$3,425,888
RECEIPTS		
Monthly Receipts	1,448,158	
County Contribution	452,879	
Interest on Investments	138	
TOTAL MONTHLY RECEIPTS		1,901,175
DISBURSEMENTS		
Monthly Disbursements	2,113,544	
TOTAL MONTHLY DISBURSEMENTS		2,113,544
ENDING BALANCE		\$3,213,519

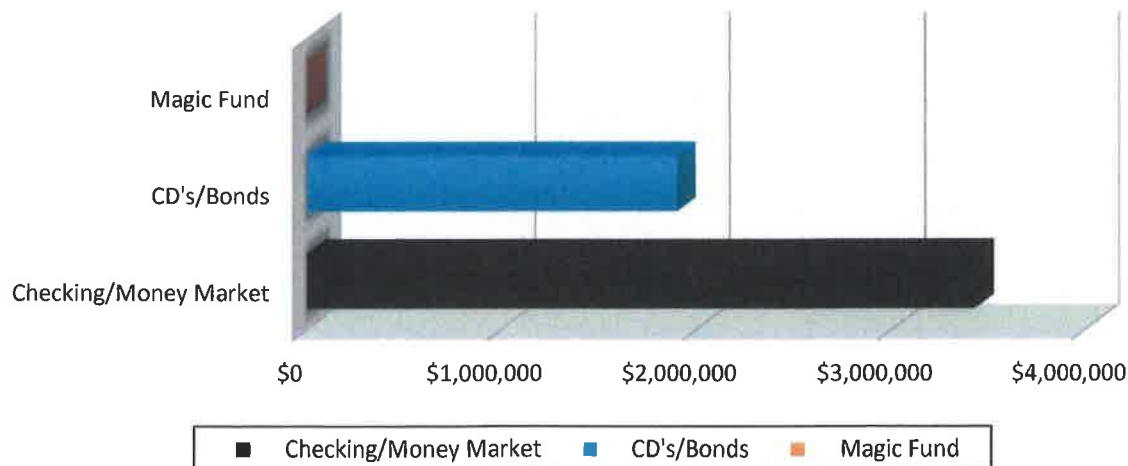
REVENUE

<i>Checking/Money Market</i>	\$3,425,888
<i>CD's/Bonds</i>	\$1,899,750
<i>Magic Fund</i>	\$0

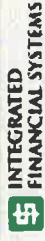
Average Balance
last two years
\$5,044,387

ENDING BALANCE **\$5,325,638**

REVENUE DESIGNATION



Southwest Health and Human Services



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12/4/14

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TREASURER'S CASH TRIAL BALANCE

As of 11/2014

<u>Fund</u>	<u>Beginning Balance</u>	<u>This Month</u>	<u>YTD</u>	<u>Current Balance</u>
1	Health Services Fund			
	1,532,833.38			
	Receipts	209,367.87	2,975,877.31	
	Disbursements	91,554.84-	856,514.44-	
	Payroll	178,099.51-	2,161,767.76-	
	Journal Entries	0.00	68,719.17	
	Fund Total	60,286.48-	26,314.28	1,559,147.66
5	Human Services Fund			
	410			
	General Administration			
	947,913.02			
	Receipts	51,465.49	570,310.17	
	Disbursements	23,750.89-	579,681.16-	
	Payroll	10,173.58-	102,156.32-	
	Journal Entries	0.00	3,681.67-	
	Dept Total	17,541.02	115,208.98-	832,704.04
5	Human Services Fund			
	420			
	Income Maintenance			
	2,133,213.06-			
	Receipts	410,768.00	5,771,698.42	
	Disbursements	218,149.16-	3,050,869.81-	
	Payroll	309,877.38-	3,689,880.38-	
	Journal Entries	0.00	305,915.00-	
	Dept Total	117,258.54-	1,274,966.77-	3,408,179.83-
5	Human Services Fund			
	430			
	Social Services			
	32,305,717.42-			
	Receipts	17,483.73	50,368.95	
	Disbursements	63,116.39-	1,264,724.89-	
	Payroll	489,211.79-	5,703,315.40-	
	Journal Entries	0.00	458,872.50-	
	Dept Total	534,844.45-	7,376,543.84-	39,682,261.26-
5	Human Services Fund			
	431			
	Purchased Services, SSIS			
	39,771,425.35			
	Receipts	1,040,336.04	12,013,802.60	
	Disbursements	1,800.60-	77,689.61-	

Southwest Health and Human Services

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As of 11/2014

TREASURER'S CASH TRIAL BALANCE

<u>Fund</u>	<u>Beginning Balance</u>	<u>This Month</u>	<u>YTD</u>	<u>Current Balance</u>
5	1,593,070.09-	Information Systems		
		461		
		Human Services Fund		
		Receipts	510,627.47-	6,598,234.91-
		Disbursements	527,907.97	5,337,878.08
		Payroll		
		Dept Total		45,109,303.43
		55,059.77		
		7,288.31-		
		253,309.15-		
		205,537.69-		
		16,375.83-		
		1,798,607.78-		
5	0.00	LCTS Collaborative Agency		
		471		
		Human Services Fund		
		Receipts	0.00	227,518.00
		Disbursements	0.00	166,264.00-
		SSIS	0.00	61,254.00-
		Dept Total	0.00	0.00
		4,687,337.80		1,052,958.60
		Fund Total	123,029.83-	3,634,379.20-
61	123,821.48	Agency Health Insurance		
		Receipts	167,902.44	1,944,641.50
		Disbursements	179,599.16-	1,772,624.72-
		Fund Total	11,696.72-	172,016.78
71	115,832.97	LCTS Lyon Murray Collaborative Fund		
		471		
		LCTS Collaborative Agency		
		Receipts	0.00	89,867.07
		Disbursements	13,725.50-	58,537.61-
		Dept Total	13,725.50-	31,329.46
		115,832.97		147,162.43
		Fund Total	13,725.50-	31,329.46
73	38,376.92	LCTS Rock Pipestone Collaborative Fund		
		471		
		LCTS Collaborative Agency		
		Receipts	1,381.00	43,995.43

Southwest Health and Human Services

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As of 11/2014

TREASURER'S CASH TRIAL BALANCE

<u>Fund</u>	<u>Beginning Balance</u>	<u>This Month</u>	<u>YTD</u>	<u>Current Balance</u>
Disbursements		0.00	5,527.89-	
Dept Total	38,376.92	1,381.00	38,467.54	76,844.46
Fund Total		1,381.00	38,467.54	76,844.46
75 Redwood LCTS Collaborative				
	102,329.62	LCTS Collaborative Agency		
Receipts		2,470.00	134,713.30	
Disbursements		7,482.00-	157,248.00-	
Dept Total	102,329.62	5,012.00-	22,534.70-	79,794.92
Fund Total		5,012.00-	22,534.70-	79,794.92
77 Local Advisory Council				
	0.00	Local Advisory Council		
Receipts		0.00	1,772.99	
Dept Total		0.00	1,772.99	1,772.99
Fund Total	0.00	0.00	1,772.99	1,772.99
All Funds	6,600,532.17			
Receipts		1,901,174.57	23,879,625.51	
Disbursements		599,343.61-	7,996,970.44-	
SSIS		510,627.47-	6,659,488.91-	
Payroll		1,003,573.02-	11,910,429.01-	
Journal Entries		0.00	699,750.00-	
Total		212,369.53-	3,387,012.85-	3,213,519.32

Southwest Health and Human Services



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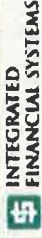
TRIAL BALANCE REPORT

As of 11/2014 Report Basis: Cash

1 Health Services Fund

<u>Account</u>	<u>Beginning Balance</u>	<u>Actual This-Month</u>	<u>Actual Year- To- Date</u>	<u>Current Balance</u>
-----Assets-----				
1001 Cash in Bank - Checking	1,532,833.38	60,286.48	26,314.28	1,559,147.66
1090 Investments	400,000.00	0.00	65,037.50	334,962.50
Total Assets	1,932,833.38	60,286.48	38,723.22	1,894,110.16
---- Liabilities and Balance-----				
Liabilities				
2020 Accounts Payable	0.00	244.79	0.00	0.00
Total Liabilities	0.00	244.79	0.00	0.00
Fund Balance				
2881 Unassigned Fund Balance	1,932,833.38	0.00	0.00	1,932,833.38
2885 Revenue Control	0.00	209,187.87	2,972,576.89	2,972,576.89
2887 Expenditure Control	0.00	269,229.56	3,011,300.11	3,011,300.11
Total Fund Balance	1,932,833.38	60,041.69	38,723.22	1,894,110.16
Total Liabilities and Balance	1,932,833.38	60,286.48	38,723.22	1,894,110.16
410 General Administration				
-----Assets-----				
Total Assets	0.00	0.00	0.00	0.00
---- Liabilities and Balance-----				
Liabilities				
Total Liabilities	0.00	0.00	0.00	0.00
Total Liabilities and Balance	0.00	0.00	0.00	0.00
1 Health Services Fund				

Southwest Health and Human Services



TRIAL BALANCE REPORT

Report Basis: Cash

As of 11/2014

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5 Human Services Fund

<u>Account</u>	<u>Beginning Balance</u>	<u>Actual This-Month</u>	<u>Actual Year- To- Date</u>	<u>Current Balance</u>
410 General Administration				
1001 Cash In Bank - Checking	947,913.02	17,541.02	115,208.98-	832,704.04
Total Assets	947,913.02	17,541.02	115,208.98-	832,704.04
--- Liabilities and Balance-----				
Liabilities				
2080 Medical Insurance Payable	40,941.81-	0.00	0.00	40,941.81-
2090 Due To Flexible Plan Employees	1,920.70	16,127.62-	16,020.30-	14,099.60-
Total Liabilities	39,021.11-	16,127.62-	16,020.30-	55,041.41-
Fund Balance	908,891.91-	0.00	0.00	908,891.91-
2881 Unassigned Fund Balance	0.00	1,413.40-	131,229.28	131,229.28
2887 Expenditure Control	908,891.91-	1,413.40-	131,229.28	777,662.63-
Total Fund Balance	908,891.91-	1,413.40-	131,229.28	777,662.63-
Total Liabilities and Balance	947,913.02-	17,541.02-	115,208.98	832,704.04-
420 Income Maintenance				
1001 Cash In Bank - Checking	2,133,213.06-	117,258.54-	1,274,966.77-	3,408,179.83-
1090 Investments	320,000.00	0.00	305,915.00	625,915.00
Total Assets	1,813,213.06-	117,258.54-	969,051.77-	2,782,264.83-
--- Liabilities and Balance-----				
Liabilities				
2020 Accounts Payable	0.00	6,640.39	0.00	0.00
Total Liabilities	0.00	6,640.39	0.00	0.00
Fund Balance	1,813,213.06	0.00	0.00	1,813,213.06
2881 Unassigned Fund Balance	0.00	410,126.79-	5,757,780.43-	5,757,780.43-
2885 Revenue Control	0.00	520,744.94	6,726,832.20	6,726,832.20
2887 Expenditure Control	1,813,213.06	110,618.15	969,051.77	2,782,264.83
Total Fund Balance	1,813,213.06	110,618.15	969,051.77	2,782,264.83
Total Liabilities and Balance	1,813,213.06	117,258.54	969,051.77	2,782,264.83
430 Social Services				

Southwest Health and Human Services



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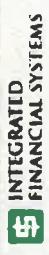
TRIAL BALANCE REPORT As of 11/2014

Report Basis: Cash

5 Human Services Fund

<u>Account</u>	<u>Beginning Balance</u>	<u>Actual This-Month</u>	<u>Actual Year-To-Date</u>	<u>Current Balance</u>
-----Assets-----				
1001 Cash In Bank - Checking	32,305,717.42-	534,844.45-	7,376,543.84-	39,682,261.26-
1090 Investments	480,000.00	0.00	458,872.50	938,872.50
Total Assets	31,825,717.42-	534,844.45-	6,917,671.34-	38,743,388.76-
--- Liabilities and Balance ---				
Liabilities				
2020 Accounts Payable	0.00	2,225.83	0.00	0.00
Total Liabilities	0.00	2,225.83	0.00	0.00
Fund Balance				
2881 Unassigned Fund Balance	31,825,717.42	0.00	0.00	31,825,717.42
2885 Revenue Control	0.00	17,354.18-	39,107.29-	39,107.29-
2887 Expenditure Control	0.00	549,972.80	6,956,778.63	6,956,778.63
Total Fund Balance	31,825,717.42	532,618.62	6,917,671.34	38,743,388.76
Total Liabilities and Balance	31,825,717.42	534,844.45	6,917,671.34	38,743,388.76
-----Assets-----				
431 Purchased Services,SSIS				
1001 Cash In Bank - Checking	39,771,425.35	527,907.97	5,337,878.08	45,109,303.43
1205 County Advances - MFIP (Chippewa Cty)	80,749.47	0.00	0.00	80,749.47
Total Assets	39,852,174.82	527,907.97	5,337,878.08	45,190,052.90
--- Liabilities and Balance ---				
Liabilities				
2020 Accounts Payable	0.00	18,727.50	0.00	0.00
Total Liabilities	0.00	18,727.50	0.00	0.00
Fund Balance				
2881 Unassigned Fund Balance	39,852,174.82-	0.00	0.00	39,852,174.82-
2885 Revenue Control	0.00	1,037,545.55-	11,832,935.84-	11,832,935.84-
2887 Expenditure Control	0.00	490,910.08	6,495,057.76	6,495,057.76
Total Fund Balance	39,852,174.82-	546,635.47-	5,337,878.08-	45,190,052.90-
Total Liabilities and Balance	39,852,174.82-	527,907.97-	5,337,878.08-	45,190,052.90-
-----Assets-----				
461 Information Systems				
1001 Cash In Bank - Checking	1,593,070.09-	16,375.83-	205,537.69-	1,798,607.78-

Southwest Health and Human Services



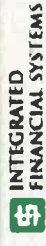
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STATEMENT OF REVENUES AND EXPENDITURES

As Of 11/2014 Report Basis: Cash

DESCRIPTION	CURRENT MONTH	YEAR TO-DATE	2014 BUDGET	% OF BUDG	% OF YEAR
FUND 1 HEALTH SERVICES FUND					
REVENUES					
CONTRIBUTIONS FROM COUNTIES	80,295.00-	744,604.00-	744,604.00-	100	92
INTERGOVERNMENTAL REVENUES	5,427.60-	151,781.65-	231,500.00-	66	92
STATE REVENUES	8,391.83-	710,673.84-	742,202.00-	96	92
FEDERAL REVENUES	79,601.87-	948,547.69-	979,798.00-	97	92
FEES	30,177.96-	371,583.41-	436,160.00-	85	92
EARNINGS ON INVESTMENTS	20.67-	2,551.28-	0.00	0	92
MISCELLANEOUS REVENUES	5,272.94-	42,835.02-	13,550.00-	316	92
TOTAL REVENUES	209,187.87-	2,972,576.89-	3,147,814.00-	94	92
EXPENDITURES					
PROGRAM EXPENDITURES	0.00	0.00	0.00	0	92
PAYROLL AND BENEFITS	178,099.51	2,172,733.04	2,441,523.00	89	92
OTHER EXPENDITURES	91,130.05	838,567.07	706,291.00	119	92
TOTAL EXPENDITURES	269,229.56	3,011,300.11	3,147,814.00	96	92

Southwest Health and Human Services



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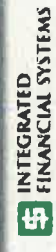
STATEMENT OF REVENUES AND EXPENDITURES

As Of 11/2014 Report Basis: Cash

DESCRIPTION	CURRENT MONTH	YEAR TO-DATE	2014 BUDGET	% OF BUDG	% OF YEAR
FUND 5 HUMAN SERVICES FUND					
REVENUES					
CONTRIBUTIONS FROM COUNTIES	372,583.99-	5,345,987.07-	9,088,388.00-	59	92
INTERGOVERNMENTAL REVENUES	0.00	20,981.84-	37,804.00-	56	92
STATE REVENUES	261,430.26-	3,731,622.43-	3,779,362.00-	99	92
FEDERAL REVENUES	629,355.82-	6,172,756.91-	6,570,948.00-	94	92
FEES	137,126.29-	1,438,476.17-	1,258,000.00-	114	92
EARNINGS ON INVESTMENTS	117.12-	14,457.27-	8,500.00-	170	92
MISCELLANEOUS REVENUES	64,413.04-	1,188,026.37-	1,530,137.00-	78	92
TOTAL REVENUES	1,465,026.52-	17,912,308.06-	22,273,139.00-	80	92
EXPENDITURES					
PROGRAM EXPENDITURES	636,483.65	8,469,718.45	8,942,678.00	95	92
PAYROLL AND BENEFITS	813,886.53	9,783,295.39	11,086,897.00	88	92
OTHER EXPENDITURES	126,220.07	2,544,906.22	2,243,564.00	113	92
TOTAL EXPENDITURES	1,576,590.25	20,797,920.06	22,273,139.00	93	92

Southwest Health and Human Services

REVENUES & EXPENDITURES BY PROG, DEPT, AND FUND AS OF 11/2014



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12/4/14 1:27PM

Report Basis: Cash

Element	Description	Account Number	Revenue	Current Month	Year-To-Date	Budget	% of Bdgt	% of Year
900 PROGRAM	Emergency Preparedness			0.00	97,283.21-	114,000.00-	85	92
			Revenue					
			Expend.	12,059.55	107,357.74	118,000.00	91	92
			Net	12,059.55	10,074.53	4,000.00	252	92
901 PROGRAM	Med Reserve Corps			0.00	3,500.00-	4,000.00-	88	92
			Revenue					
			Expend.	0.00	647.29	0.00	0	92
			Net	0.00	2,852.71-	4,000.00-	71	92
483 DEPT	Health Education	Totals:		5,096.29-	447,884.12-	532,150.00-	84	92
			Revenue					
			Expend.	41,289.26	512,702.49	517,930.00	99	92
			Net	36,192.97	64,818.37	14,220.00-	456-	92
485 DEPT	Environmental Health			6,521.60-	109,519.60-	138,500.00-	79	92
800 PROGRAM	Environmental			8,384.70	131,913.44	162,422.00	81	92
			Revenue					
			Expend.	1,863.10	22,393.84	23,922.00	94	92
			Net					
830 PROGRAM	FDA- Research(Standardization for Ins			3,000.00-	3,000.00-	0.00	0	92
			Revenue					
			Expend.	281.44	6,978.98	0.00	0	92
			Net	2,718.56-	3,978.98	0.00	0	92
485 DEPT	Environmental Health	Totals:		9,521.60-	112,519.60-	138,500.00-	81	92
			Revenue					
			Expend.	8,666.14	138,892.42	162,422.00	86	92
			Net	855.46-	26,372.82	23,922.00	110	92
1 FUND	Health Services Fund	Totals:		209,187.87-	2,972,576.89-	3,147,814.00-	94	92
			Revenue					
			Expend.	269,229.56	3,011,300.11	3,147,814.00	96	92
			Net	60,041.69	38,723.22	0.00	0	92

Southwest Health and Human Services

REVENUES & EXPENDITURES BY PROG, DEPT, AND FUND AS OF 11/2014



Report Basis: Cash

<u>Element</u>	<u>Description</u>	<u>Account Number</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Budget</u>	<u>% of Bdgt</u>	<u>% of Year</u>
5 FUND	Human Services Fund	Totals:	Revenue 1,465,026.52- Expend. 1,576,590.25 Net 111,563.73	17,912,308.06- 20,797,920.06 2,885,612.00	22,273,139.00- 22,273,139.00 0.00	80 93 0	92 92 92
FINAL TOTALS	929 Accounts		Revenue 1,674,214.39- Expend. 1,845,819.81 Net 171,605.42	20,884,884.95- 23,809,220.17 2,924,335.22	25,420,953.00- 25,420,953.00 0.00	82 94 0	92 92 92

SOUTHWEST HEALTH AND HUMAN SERVICES CHECK REGISTER

NOVEMBER 2014

DATE	RECEIPT or CHECK #	DESCRIPTION	+ DEPOSITS	-DISBURSEMENTS	BALANCE
	BALANCE FORWARD				3,425,888.85
11/3/14	49766-49790	Disb		2,009.49	3,423,879.36
11/3/14	49791-49832	Disb		26,081.42	3,397,797.94
11/3/14	579 ACH	Disb		497.60	3,397,300.34
11/3/14	9212	Disb		6,778.04	3,390,522.30
11/3/14	9213	Disb		9,802.45	3,380,719.85
11/4/14	10642-10663, 10667	Dep	58,928.64		3,439,648.49
11/7/14	10664-66, 10668-10736	Dep	301,342.10		3,740,990.59
11/10/14	49833-49846	Disb		2,902.66	3,738,087.93
11/10/14	49847- 50003	Disb		322,595.75	3,415,492.18
11/10/14	580-599 ACH	Disb		2,921.39	3,412,570.79
11/10/14	9214	Disb		8,934.93	3,403,635.86
11/10/14	9215	Disb		59,405.11	3,344,230.75
11/10/14	10738-10739	Dep	92,665.99		3,436,896.74
11/12/14	10737,10740-10763	Dep	32,566.75		3,469,463.49
11/13/14	9216	Disb		54,957.57	3,414,505.92
11/14/14	6585-6598	PAYROLL		114,109.89	3,300,396.03
11/14/14	28105-28325 ACH	PAYROLL		387,130.64	2,913,265.39
11/14/14	10764-10800	Dep	243,725.50		3,156,990.89
11/17/14	50004-50056	Disb		4,226.40	3,152,764.49
11/17/14	50057-50142	Disb		183,203.52	2,969,560.97
11/17/14	600-603 ACH	Disb		796.68	2,968,764.29
11/17/14	9217	Disb		4,732.67	2,964,031.62
11/17/14	9218	Disb		19,561.85	2,944,469.77
11/18/14	10801-807,10815-818,10822-842	Dep	61,712.79		3,006,182.56
11/21/14	50143-50466 CEI	Disb		111,642.34	2,894,540.22
11/21/14	604-605 ACH CEI	Disb		119.72	2,894,420.50
11/24/14	606 - ACH	Disb		139.20	2,894,281.30
11/24/14	50467 - 50547	Disb		8,110.50	2,886,170.80
11/24/14	607 - 614 ACH	Disb		807.76	2,885,363.04
11/24/14	50548 - 50662	Disb		216,755.84	2,668,607.20
11/21/14	10808-14,10819-21,10843-70,10878,10880-81,10883-10900	Dep	351,450.26		3,020,057.46
11/20/14	16177	Interest	137.79		3,020,195.25
11/24/14	9219	Disb		5,730.97	3,014,464.28
11/24/14	9220	Disb		9,695.57	3,004,768.71
11/26/14	50663-50688	Disb		3,529.87	3,001,238.84
11/26/14	50689-50730	Disb		43,719.25	2,957,519.59
11/26/14	615 ACH	Disb		312.53	2,957,207.06
11/26/14	6599-6617	PAYROLL		114,757.90	2,842,449.16
11/26/14	28326-28556 ACH	PAYROLL		387,574.59	2,454,874.57
11/26/14	10871-877,879,882,10901-966	Dep	758,644.75		3,213,519.32
					3,213,519.32
	Balanced 12/01/14 LMD	TOTALS	1,901,174.57	2,113,544.10	

Adult - Social Services Caseload

Average	Adult Brain Injury (BI)	Adult Community Alternative Care (CAC)	Adult Community Alternatives for Disabled Individuals (CADI)	Adult Mental Health (AMH)	Adult Protective Services (APS)	Adult Services (AS)	Alternative Care (AC)	Chemical Dependency (CD)	Developmental Disabilities (DD)	Elderly Waiver (EW)	Total Programs
2014	14	14	245	330	39	842	28	485	464	332	2793
2015											
2016											
2017											

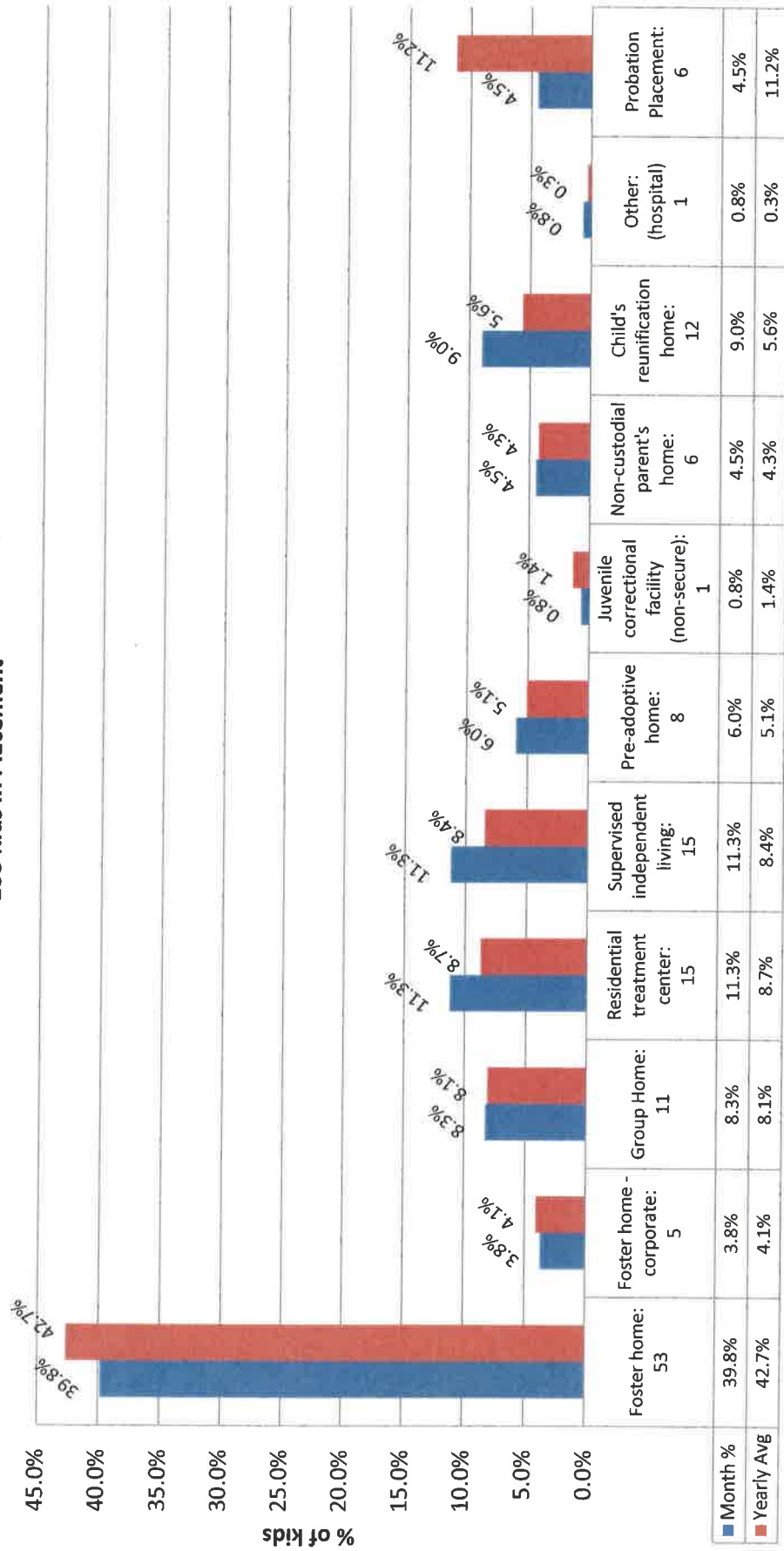
2014	Adult Brain Injury (BI)	Adult Community Alternative Care (CAC)	Adult Community Alternatives for Disabled Individuals (CADI)	Adult Mental Health (AMH)	Adult Protective Services (APS)	Adult Services (AS)	Alternative Care (AC)	Chemical Dependency (CD)	Developmental Disabilities (DD)	Elderly Waiver (EW)	Total Programs
January	14	14	259	327	31	903	24	442	464	312	2790
February	14	14	254	324	31	887	24	451	461	312	2772
March	14	14	253	320	30	885	24	487	460	311	2798
April	14	14	247	326	46	823	31	531	462	336	2830
May	14	14	246	323	52	834	32	505	463	334	2817
June	14	14	247	321	47	829	35	496	466	341	2810
July	14	14	239	326	41	834	32	483	466	338	2787
August	14	14	239	334	40	819	29	494	465	339	2787
September	13	14	234	352	42	796	27	497	468	347	2790
October	13	13	229	347	29	814	26	465	466	348	2750
November	13	13	228	338	27	827	25	524	464	347	2806
December	14	14	243	331	38	841	28	489	464	333	2794

Children's - Social Services Caseload

Average	Adolescent Independent Living (ALS)	Adoption	Child Brain Injury (BI)	Child Community Alternative Care (CAC)	Child Community Alternatives for Disabled Individuals (CADI)	Child Protection (CP)	Child Welfare (CW)	Children's Mental Health (CMH)	Early Intervention: Infants & Toddlers with Disabilities	Minor Parents (MP)	Parent Support Outreach Program (PSOP)	Total Programs
2014	42	19	0	4	32	124	102	107	0	1	14	444
2015												
2016												
2017												

2014	Adolescent Independent Living (ALS)	Adoption	Child Brain Injury (BI)	Child Community Alternative Care (CAC)	Child Community Alternatives for Disabled Individuals (CADI)	Child Protection (CP)	Child Welfare (CW)	Children's Mental Health (CMH)	Early Intervention: Infants & Toddlers with Disabilities	Minor Parents (MP)	Parent Support Outreach Program (PSOP)	Total Programs
January	39	18	0	5	33	120	105	99	0	1	16	436
February	44	18	0	5	34	128	99	105	1	1	10	445
March	44	18	0	4	32	143	102	108	1	1	10	463
April	44	17	0	4	33	131	104	108	1	1	11	454
May	44	17	0	4	33	128	103	110	1	1	17	458
June	44	18	0	4	33	110	101	107	0	1	15	433
July	44	19	0	4	31	109	99	108	0	1	13	428
August	39	20	0	3	28	116	97	107	0	1	11	422
September	40	20	0	3	29	121	108	107	0	1	18	447
October	39	20	0	2	30	131	105	106	0	1	20	454
November	39	14	0	2	28	151	110	109	0	1	24	478
December												
	42	18	0	4	31	126	103	107	0	1	15	447

**November 2014 - Placement by Category
133 Kids in Placement**



■ Month %
■ Yearly Avg

2014 KIDS IN OUT OF HOME PLACEMENT

	November	
	# of placements	Probation placements
Lincoln	4	1
Rock	13	0
Lyon	38	3
Pipestone	22	0
Redwood	46	2
Murray	4	0
Totals	127	6
Total # of kids	133	

November 2014:

Total of 9 Children entered placement

7	Lyon	Foster Home
1	Redwood	Group Home
1	Redwood	Probation

Total of 11 Children were discharged from placement

2	Redwood	Foster home
1	Redwood	Non-custodial parent's home
1	Redwood	Pre-adoptive home
1	Pipestone	Pre-adoptive home
2	Lyon	Pre-adoptive home
2	Lyon	Non-custodial parents home
1	Lyon	Foster home
1	Rock	Foster home

There were 5 adoptions this month

NON IVD COLLECTIONS
NOVEMBER 2014

PROGRAM	ACCOUNT	TOTAL
MSA/GRH	05-420-605.5802	0.00
TANF (MFIP/DWP/AFDC)	05-420-610.5803	345.00
GA	05-420-620.5803	3,091.58
FS	05-420-630.5803	227.00
CS (PI Fee, App Fee, etc)	05-420-640.5501	700.00
MA	05-420-650.5803, 5513	23,780.21
REFUGEE	05-420-680.5803	0.00
CHILDRENS		
Parental Fees, Holds	05-431-710.5501	3,980.10
Corp FC Licensing	05-431-710.5505	800.00
OOH/FC Recovery	05-431-710.5803	8,008.40
CHILDCARE		
Licensing	05-431-720.5502	1,000.00
Over Payments	05-431-721&722.5803	0.00
CHEMICAL DEPENDENCY		
CD Assessments	05-431-730.5519	3,321.99
Detox Fees	05-431-730.5520	1,173.22
MENTAL HEALTH		
Insurance Copay	05-431-740.5803	0.00
Over Payments	05-431-741 or 742.5803	0.00
DEVELOPMENTAL DISABILITIES		
Insurance Copay	05-431-750.5803	0.00
ADULT		
Insurance Copay	05-431-760.5803	0.00
TOTAL NON-IVD COLLECTIONS		46,428

**SOUTHWEST HEALTH AND HUMAN SERVICES
SOCIAL SERVICE POLICY NUMBER 10**

EFFECTIVE DATE: 08/17/11

REVISION DATE: 01/01/15

AUTHORITY: Southwest Health and Human Services – Human Services Board

Uniform Guardian and Protected Proceedings Act

MS 524.5304 Section 30a

Minn. Stat. 524.5-304 Guardianships and Minn. Stat. 524.406 Conservatorships
Governs the Role and Authority of the Court Visitor

--- COURT VISITOR POLICY ---

Section 1 - Purpose

- a. The county social services agency is responsible for court visitor duties resulting from petitions for guardian and conservator appointments. Southwest Health and Human Services will charge a fee for performing the duties of court visitor. If ordered by the court, the county social services agency may be responsible for Court Visitor Duties resulting from Petitions for Guardian and Conservator appointments.

- b. A social worker from Southwest Health and Human Services will be assigned and will complete the court visitor duties which include, but are not limited to, information gathering, ~~personal service of the petition to the proposed ward, travel time, and time completing the written report to the Court at the rate of \$50.00 per hour plus travel.~~ The agency will submit an invoice of services rendered directly to the petitioner of the proposed ward personal service of the notice of Hearing and Rights and Petition to the proposed ward. The visitor will ask the respondent whether he/she would like the notice and petition read out loud and if requested the visitor will read the notice and petition to the respondent. The court visitor will complete the Minnesota Court Form GAC105 and affidavit of services as provided by the court and provide copies to the Court Administrator as well as Attorneys involved in the case. Travel time and time completing the written report to the Court will be paid at the rate of \$50.00 per hour. The agency will submit an invoice of services rendered directly to the petitioner of the proposed ward.

- c. If the petition has been filed In Forma Pauperis, this agency will waive the assessed fee.

**SOUTHWEST HEALTH AND HUMAN SERVICES
SOCIAL SERVICE POLICY NUMBER 16**

EFFECTIVE DATE: 08/17/11

REVISION DATE: 01/01/15

AUTHORITY: Southwest Health and Human Services - Human Services Board
In accordance with MN Statute 524.5-502, Professional Guardians and Conservators, MN Combined Manual: Determining Net Income, MSA

--- PAYMENT: GUARDIANSHIP FOR INCAPACITATED PERSONS ---

Section 1 – Purpose

- a. It is the intent of this policy to describe the procedure to be followed for payment of guardianship services.
- b. The legal basis for this procedure is MS 525.703, "...A lawyer or health professional rendering necessary services regarding the appointment of a guardian or conservator, the administration of the ward's or conservatee's estate or personal affairs, or the restoration of his capacity, shall be entitled to reasonable compensation from the estate of the ward or conservatee or from the county having jurisdiction over the proceedings if the ward or conservatee is indigent."

All persons providing services for which payment is being sought must have signed consents filed with and background checks done by/provided to the court and updated as required by the court.

Section 2 - Process

- a. The following guidelines will be used to establish a guardian or conservator:
 - There will be an active social service case, ~~for adult protection services.~~
 - The social worker will obtain information documenting the person as incompetent or incapacitated. The need for a guardian/conservator will be based on the best interest of the consumer, not for the convenience or benefit of the provider. All family members will be contacted and written acceptance or refusal will be in the case file prior to referring to the county attorney.
 - A referral will be made to the county attorney to enter a petition for conservator/guardian.
 - A private attorney may be used if the county attorney is not appropriate.
 - The director or supervisor will act as the petitioner.
 - The petition will ask the court to order the rate for guardianship fees. Attorney fees will be \$50 per hour, not to exceed \$300. If SWHHS is responsible for Guardian fees, they are not to exceed \$20 per hour, billed in 15 minute increments, not to average more than 5 hours per month and not to exceed 60

**SOUTHWEST HEALTH AND HUMAN SERVICES
SOCIAL SERVICE POLICY NUMBER 16**

hours per year unless ordered by the court prior approval of a supervisor. A bond fee or special expenses for guardianship must be ordered by the court before any payment will be made.

- The social worker will refer to the income maintenance supervisor for determination of eligibility.
- If the ward/protected person is on medical assistance, a guardian or conservator may be allowed to retain a portion of the ward/protected persons' monthly income. A guardian/conservator is required to apply to the MA financial case worker to see what MA rules allow. The amount, if allowable, shall be shown on the invoice when billing SWHHS. This amount shall then be deducted from the fee indicated above. If the amount obtained from income exceeds the fees, there will be no payment by SWHHS.
- If there is not a basis for eligibility for MA/MSA the petition should ask for guardianship/conservatorship services to be paid by the estate.
- There will be no payment to guardians, conservators, attorneys, unless there is a court order on file at Southwest Health and Human Services.

Section 3 - Procedure

a. A legible voucher invoice shall be completed each month and submitted with the billing invoice. All person visits are to be recorded on the visit log and will have:

- The client's name
- Date and length of visit (start and stop times)
- Location of visit
- Explanation of necessary service

b. A minimum of two(2) face to face contacts per year is required.

c. Non Reimbursable Activities and Expenses

- SWHHS will not pay for clerical/secretarial time, internal tickler noticing, more than one staff per service, phone messaging, and billing inquiry and/or time.
- Office and business expenses such as parking, postage, telephone expenses, photocopies, and training/consultation of/with in-house personnel.

d. All court established guardianships created prior to 01/01/15, will remain as originally agreed upon, allowing for fluctuations in IRS rates for mileage reimbursements and/or need to dissolve the current relationship.

Forms:

SsA#009 Emergency Guardianship Process

SsA#325 Guardian Log

Southwest Health and Human Services 2015 Budget	SWHHS	SWHHS (combined)	SWHHS (combined)	SWHHS	SWHHS
(Human Services)	2011	2012	2013	2014	2015
Category	Final	Final	Final	Final	Proposed
EXPENDITURES					
600 Income Maintenance					
6100 - Personnel	\$2,052,112	\$2,345,803	\$4,111,265	\$4,351,283	\$4,564,427
6200- Services & Charges	\$234,400	\$301,105	\$404,775	\$382,200	\$397,680
6300- Administrative Overhead Costs	\$175,050	\$281,425	\$474,727	\$461,470	\$726,861
6000- Payment for/behalf clients	\$1,088,000	\$1,374,670	\$2,130,605	\$1,837,000	\$1,815,000
Subtotal Income Maintenance	\$3,549,562	\$4,303,003	\$7,121,372	\$7,031,953	\$7,503,968
700 Social Services					
710 - Children's Services	\$1,509,038	\$1,773,689	\$2,497,988	\$2,555,041	\$2,875,490
720 - Child Care/MFIP Admin./PIC.	\$240,678	\$277,933	\$489,988	\$68,665	\$64,965
730 - Chemical Dependency	\$230,000	\$260,270	\$426,600	\$496,500	\$540,000
740 - Mental Health	\$1,170,652	\$2,016,599	\$3,153,603	\$3,681,539	\$2,834,860
750 - Developmental Dis.	\$341,082	\$352,159	\$577,924	\$455,633	\$408,451
760 - Adult Services	\$265,500	\$222,688	\$239,200	\$243,300	\$176,000
Subtotal	\$3,756,950	\$4,903,338	\$7,385,303	\$7,500,678	\$6,899,766
6100- Personnel	\$3,186,746	\$3,955,317	\$5,810,344	\$6,461,067	\$7,021,719
6200- Services and Charges				\$264,089	\$420,270
6300- Administrative Overhead	\$538,600	\$681,655	\$1,053,083	\$733,555	\$732,016
Subtotal Social Services	\$3,725,346	\$4,636,972	\$6,863,427	\$7,458,711	\$8,174,005
461 Information Systems					
6100- Personnel	\$248,787	\$322,555	\$280,577	\$274,547	\$343,715
6200- Services and Charges				\$250	\$700
6300-Administrative Overhead Costs	\$6,200	\$7,250	\$9,600	\$7,000	\$5,800
Subtotal Information Services	\$254,987	\$329,805	\$290,177	\$281,797	\$350,215
Combined					
Personnel	\$5,487,645	\$6,623,675	\$10,202,186	\$11,086,897	\$11,929,861
Services & Charges	\$234,400	\$301,105	\$404,775	\$646,539	\$818,650
Administrative Overhead	\$719,850	\$970,330	\$1,537,410	\$1,202,025	\$1,464,677
Payments for/behalf of clients	\$4,844,950	\$6,278,008	\$9,515,908	\$9,337,678	\$8,714,766
Total Expenditures	\$11,286,845	\$14,173,118	\$21,660,279	\$22,273,139	\$22,927,954
REVENUE					
420 Income Maintenance					
5400 - Federal	\$1,570,000	\$2,016,400	\$3,017,900	\$3,470,000	\$3,747,000
5300 - State	\$400,421	\$393,800	\$865,575	\$777,500	\$884,550
5500/5800 - Other	\$421,300	\$680,520	\$1,161,550	\$785,700	\$696,295
Reserve spending	\$0	\$0	\$0	\$0	\$0
5000 - County Taxes	\$829,129	\$1,052,971	\$1,738,824	\$1,635,908	\$3,671,709
Subtotal	\$3,220,850	\$4,143,691	\$6,783,849	\$6,669,108	\$8,999,554
431 Social Services					
5400 - Federal	\$2,145,644	\$2,469,458	\$2,849,187	\$3,100,948	\$3,122,028
5300 - State	\$1,134,622	\$1,772,613	\$2,595,881	\$3,001,862	\$3,018,682
5500/5800 - Other	\$969,085	\$1,055,397	\$2,025,299	\$1,990,741	\$2,201,628
Reserve spending	\$0	\$0	\$0	\$0	\$0
5000 - County Taxes	\$3,777,144	\$4,672,259	\$7,349,563	\$7,452,480	\$5,507,562
Subtotal	\$8,026,495	\$9,969,727	\$14,819,930	\$15,546,031	\$13,849,900
461 Information Systems					
5900- Participating Entities	\$39,500	\$59,700	\$56,500	\$58,000	\$78,500
Subtotal	\$39,500	\$59,700	\$56,500	\$58,000	\$78,500
Combined					
5400 - Federal	\$3,715,644	\$4,485,858	\$5,867,087	\$6,570,948	\$6,869,028
5300 - State	\$1,535,043	\$2,166,413	\$3,461,456	\$3,779,362	\$3,903,232
5500/5800 - Other	\$1,429,885	\$1,795,617	\$3,243,349	\$2,834,441	\$2,976,423

Reserves	\$0	\$0	\$0	\$0	\$0
5000- County Taxes	\$4,606,273	\$5,725,230	\$9,088,387	\$9,088,388	\$9,179,271
Total Revenues	\$11,286,845	\$14,173,118	\$21,660,279	\$22,273,139	\$22,927,954
Summary					
Revenue	\$11,286,845	\$14,173,118	\$21,660,279	\$22,273,139	\$22,927,954
Expenditures	\$11,286,845	\$14,173,118	\$21,660,279	\$22,273,139	\$22,927,954
Difference	\$0	\$0	\$0	\$0	\$0



Dental Varnish	\$25/Visit	
Flu Vaccine	Cost of vaccine + \$20 administration fee (\$30-\$40)	
Non MNVFC Hepatitis B	Cost of vaccine +\$20 administration fee (\$52-\$54)	
Refugee Health/Green Card	\$20	
Immunizations	\$20/immunization administration	
Mantoux Testing (Non-jail)	\$25/test	
Sharps Containers	\$10, \$8, \$6-depending on the size includes disposal fee	
Public Health Nursing Clinic:		
Home	\$120/visit	\$150/visit
Office Visit	\$100/visit	\$120/visit
New Day Care Inspections	\$75/hour/staff with minimum of one hour charge	
Education/Wellness/Car Seat Presentations	\$75/hour/staff with minimum of one hour charge	
Radon Kits-Short Term	\$6.00/kit (fee includes tax)	
Radon Kits-Long Term	\$15.00/kit (fee includes tax)	
Blood Lead Education (per 15 min)	\$20	\$25
Blood Lead Screening	\$10	\$15
Depression Screening	\$25	
ASQ or ASQ-SE (staff administered)	\$25	
Car Seat Install and Educations	\$80	
Urine Analysis (Drug Screening)	\$25	\$35

***Service will not be denied to anyone who is unable to pay.
Client unable to pay the set rate will be asked for a donation***

ENVIRONMENTAL LAB FEE INCREASE PROPOSAL

I RECOMMEND THAT WE INCREASE THE PRICES OF OUR LAB TESTING FEES:

TEST	CURRENT PRICE	NEW PRICE
COLIFORM BACTERIA(COLILERT)	18	20
COLIFORM BACTERIA(MFT)	20	22
HETEROTROPHIC PLATE COUNT	20	22
FECAL BACTERIA(MFT)	20	22
NITRATE	16	20
NITRITE	16	20
SULFATE	15	17
IRON	13	15
HARDNESS	12	14
FLUORIDE	16	18
CHLORIDE	12	14
TOTAL DISSOLVED SOLIDS	12	14
SODIUM	16	18

- LAST FEE INCREASE WAS IN 2009.
- THE COST OF LAB SUPPLIES HAS INCREASED APPROXIMATELY TEN PERCENT OVER THE LAST FIVE YEARS.

I ALSO RECOMMEND THAT WE DISCONTINUE OUR STATE CERTIFICATION FOR NITRITE TESTING.

- ON AVERAGE FROM 2009 TO 2014 WE HAVE PERFORMED ONLY 11 NITRITE TESTS PER YEAR.
- WE WILL CONTINUE TO OFFER THIS TEST, BUT NOT AS A CERTIFIED TEST.
- WE CAN USE EXPIRED STOCK SOLUTION FOR NON CERTIFIED TESTS--PURCHASE SUPPLIES LESS OFTEN.
- REDUCE COST ON PROFICIENCY TESTING.
- SAVE APPROXIMATELY \$500 PER YEAR.

FOR REFERENCE, COUNTRYSIDE PUBLIC HEALTH HAS THE FOLLOWING FEE STRUCTURE FOR WATER TESTING:

TEST	PRICE
COLIFORM BACTERIA(COLILERT)	20
NITRATE	30
IRON	20
HARDNESS	20
SULFATE	20

SAMPLING HISTORY BY YEAR

YEAR	REVENUE	NUMBER OF SAMPLES RECEIVED	ANNUAL NUMBER OF TESTS SUBMITTED
2006	22,088	861	1257
2007	22,316	809	1427
2008	18,351	693	1119
2009	22,338	767	1281
2010	25,780	1085	1486
2011	22791	998	1290
2012	21891	884	1271
2013	20,552	814	1168
2014*	16,892	642	985
*TESTING FOR 2014 IS THROUGH SEPTEMBER 30, 2014			

Southwest Health and Human Services 2014 Budget	SWHHS	SWHHS	SWHHS	SWHHS
(Health Services)	2012	2013	2014	2015
Category	Final	Final	Final	Proposed
EXPENDITURES				
481 Nursing				
6100- Personnel	\$934,620	\$1,323,428	\$1,467,032	\$1,410,733
6200- Services & Charges	\$192,454	\$247,112	\$308,419	\$314,474
6300- Administrative Overhead Costs	\$94,697	\$120,982	\$131,685	\$144,554
Subtotal Nursing	\$1,221,771	\$1,691,522	\$1,907,136	\$1,869,761
483 Health Education				
6100- Personnel	\$237,289	\$352,306	\$370,461	\$468,944
6200- Services & Charges	\$111,473	\$194,761	\$83,748	\$155,864
6300- Administrative Overhead Costs	\$120,179	\$65,983	\$63,721	\$64,051
Subtotal Health Education	\$468,941	\$613,050	\$517,930	\$688,859
485 Environmental Health				
6100- Personnel	\$125,267	\$111,848	\$131,497	\$148,509
6200- Services & Charges	\$19,121	\$5,600	\$6,400	\$5,900
6300- Administrative Overhead Costs	\$46,043	\$30,296	\$24,525	\$25,541
Subtotal Environmental Health	\$190,431	\$147,744	\$162,422	\$179,950
410 Administration				
6100- Personnel	\$261,544	\$458,112	\$472,533	\$539,369
6200- Services & Charges	\$58,156	\$39,463	\$37,300	\$35,958
6300- Administrative Overhead Costs	\$58,961	\$99,705	\$50,493	\$53,617
Subtotal Administration	\$378,661	\$597,280	\$560,326	\$628,944
Combined Expenditures				
Personnel	\$1,558,720	\$2,245,694	\$2,441,523	\$2,567,555
Services & Charges	\$381,204	\$486,936	\$435,867	\$512,196
Administrative Overhead	\$319,880	\$316,966	\$270,424	\$287,763
Total Expenditures	\$2,259,804	\$3,049,596	\$3,147,814	\$3,367,514
REVENUE				
481 Nursing				
5400 - Federal	\$538,306	\$771,380	\$858,898	\$956,542
5300 - State	\$4,800	\$96,261	\$257,794	\$243,332
5500/5800 - Other	\$399,544	\$769,480	\$383,660	\$414,799
Reserve spending	\$0	\$0	\$0	\$0
5000 - County Taxes	\$0	\$0	\$0	\$0
Subtotal Nursing	\$942,650	\$1,637,121	\$1,500,352	\$1,614,673
483 Health Education				
5400 - Federal	\$3,000	\$120,000	\$120,900	\$264,200
5300 - State	\$0	\$0	\$223,200	\$291,000
5500/5800 - Other	\$426,820	\$365,961	\$188,050	\$51,100
Reserve spending	\$0	\$0	\$0	\$0
5000 - County Taxes	\$0	\$0	\$0	\$0
Subtotal Health Education	\$429,820	\$485,961	\$532,150	\$606,300
485 Environmental Health				
5400 - Federal	\$50,000	\$0	\$0	\$0
5300 - State	\$0	\$0	\$35,500	\$53,579

5500/5800 - Other	\$98,000	\$143,292	\$103,000	\$21,000
Reserve spending	\$0	\$0	\$0	\$0
5000 - County Taxes	\$0	\$0	\$0	\$81,500
Subtotal Environmental Health	\$148,000	\$143,292	\$138,500	\$156,079
410 Administration				
5400 - Federal	\$0	\$0	\$0	\$0
5300 - State	\$0	\$0	\$225,708	\$225,542
5500/5800 - Other	\$310,768	\$6,500	\$6,500	\$1,500
Reserve spending	\$0	\$0	\$0	\$0
5000 - County Taxes	\$428,566	\$776,722	\$744,604	\$763,420
Subtotal Administration	\$739,334	\$783,222	\$976,812	\$990,462
Combined Revenues				
5400 - Federal	\$591,306	\$891,380	\$979,798	\$1,220,742
5300 - State	\$4,800	\$96,261	\$742,202	\$813,453
5500/5800 - Other	\$1,235,132	\$1,285,233	\$681,210	\$488,399
Reserves	\$0	\$0	\$0	\$0
5000- County Taxes	\$428,566	\$776,722	\$744,604	\$844,920
Total Revenues	\$2,259,804	\$3,049,596	\$3,147,814	\$3,367,514
Summary				
Revenue	\$2,259,804	\$3,049,596	\$3,147,814	\$3,367,514
Expenditures	\$2,259,804	\$3,049,596	\$3,147,814	\$3,367,514
Difference	\$0	\$0	\$0	\$0

**SOUTHWEST HEALTH AND HUMAN SERVICES
PERSONNEL POLICY NUMBER 5**

EFFECTIVE DATE: 01/01/11

REVISION DATE: ~~11/21/12~~12/17/14

AUTHORITY: Southwest Health and Human Services Joint Governing Board

--- USE OF VEHICLES FOR AGENCY BUSINESS ---

Section 1 – Requirements for Using Agency Vehicles

- a. Only agency employees and student interns may use Southwest Health and Human Services' cars. Agency employees and student interns must have valid driver's licenses to drive an agency car. If their driver's license has been revoked, suspended, or cancelled they shall not drive an agency car. Employees must report any changes in their driving status to their supervisor immediately. Before using an agency car for the first time, a statement (Form AG#007) must be signed confirming that the driver has a valid driver's license. It is also required that a photo copy of your driver's license be in your personnel file. If this policy is violated, it could be grounds for dismissal.
- b. The agency vehicles are to be used only for business purposes. If in the course of work personal use is necessary, it is to be approved by your immediate supervisor. Permission from your supervisor must be obtained if you wish to transport anyone other than agency employees. If you are transporting anyone other than a client or another agency employee, the person to be transported must sign a Waiver of Liability for Presence in Agency Vehicle (AG#106). Signed waivers should be forwarded to the ~~Director of Business Management~~ Deputy Director. Permission is not necessary to transport clients to fulfill conditions of their Social Services Plan.
- c. Upon supervisory approval an agency vehicle may be parked overnight at a staff person's residence. (Example: Use of vehicle early morning or late evening.)
- d. After a vehicle is used, it is the driver's responsibility to ensure that the inside of the car is clean and neat and fill the vehicle with gas if less than a half a tank registers on the gas gauge.
- e. All agency vehicles must be operated in a safe, lawful, and defensive driving manner at all times.
- f. In case of an automobile accident, the accident should be reported to your supervisor and the Deputy Director as soon as possible. Obtain the following information: 1) name and address of each driver, passenger, and witness; 2) name of the insurance company and the policy number for each vehicle involved; and 3) do not admit fault or liability. The Deputy Director shall complete the Automobile Loss Notice Form and submit it to our insurance company.

**SOUTHWEST HEALTH AND HUMAN SERVICES
PERSONNEL POLICY NUMBER 7**

EFFECTIVE DATE: 01/01/11

REVISION DATE: 12/17/14

AUTHORITY: Southwest Health and Human Services Joint Governing Board

--- STAFF DEVELOPMENT ---

Section 1 - Purpose

- a. Employees will be given the opportunity to develop through staff development their work skills so they can improve their contribution to the agency and clients.

Section 2 - Procedure

- a. All staff development activities that are not held by Southwest Health and Human Services must have written request and authorization (AG#017) before registration by staff. Failure to receive authorization could mean that expenses will not be covered. A copy of AG#017, signed by your supervisor, should accompany all registration and other expenses (such as lodging, ~~meals, and miles~~) submitted to accounting for payment. These documents should be submitted to accounting at least 2 weeks prior to registration due date.
- b. All staff development requires prior approval from the supervisor regarding travel arrangements including mileage, lodging, and comp time.
- c. Upon completion of staff development the bottom section of the "Request for Training" form is to be completed. If there were changes in the hours as stated in the upper part of the form they should be updated.
- d. Employees who have submitted their resignation (or intend to submit it) shall not attend any staff development activity even if they had supervisory approval before they resigned.
- e. A guiding principle is that staff development shall be position critical or job required.
- f. All staff shall report to their unit on staff development as requested by their supervisor.
- g. All staff development is at the sole discretion of the employer.

Agency Forms Regarding This Policy:
AG#017 - Request for Staff Development

**SOUTHWEST HEALTH AND HUMAN SERVICES
PERSONNEL POLICY NUMBER 14**

EFFECTIVE DATE: 12/17/14

REVISION DATE:

AUTHORITY: Southwest Health and Human Services Joint Governing Board

--- WELLBEING POLICY ---

Section 1 - Purpose

- a. It is the policy of Southwest Health and Human Services (SWHHS) to promote health and wellness for all employees through leadership support, peer involvement, resources, education, awareness, environment, and activities. Because employees' health can affect job satisfaction, productivity, healthcare costs, morale, motivation, and overall performance of work, SWHHS encourages employees to make positive lifestyle changes or maintain a healthy lifestyle. As a bonus, their successes can be contagious, inspiring coworkers to take steps toward improving their own health.

Section 2 - Mission

- a. It is the mission of SWHHS to educate, empower, and support employees and their families to strengthen their overall wellbeing.

Section 3 – Vision

- a. It is the vision of SWHHS to create and sustain a healthy culture that supports the personal, physical, and mental wellbeing of employees and their families.

SWHHS is dedicated to creating a healthy work environment that supports employee and workplace health. SWHHS feels it is important to provide employees with healthy physical and mental activity opportunities to support our efforts to prevent disease and attain optimum overall health. SWHHS supports the five (5) keys areas of overall wellbeing: career, social, financial, physical, and community wellbeing.

Section 4 – Wellbeing Committee

- a. Employee involvement is vital to the success of any health and wellbeing program. The Wellbeing Committee will be comprised of SWHHS staff. The goal of the Committee is to encourage employee participation, and to assure that the initiatives are responsive to the needs of all potential participants.

**SOUTHWEST HEALTH AND HUMAN SERVICES
PERSONNEL POLICY NUMBER 14**

Section 5 – Supporting Employee Participation in Wellbeing Activities

- a. SWHHS provides health and wellness benefits to all employees of the agency. These benefits have been created to provide a healthier work environment for all employees of SWHHS.

Current benefits include:

- Lunch and Learn Sessions for staff to hear information on topics from the 5 areas of overall wellbeing (career, social, financial, physical, and community wellbeing)
- Medical Leave for Fitness Reimbursement (MLFR) is an opportunity for staff to receive reimbursement for approved fitness items via medical leave balance. Refer to MLFR policy.
- Flu vaccination is offered to staff and their families every fall through the Public Health Division of SWHHS. Staff use their health insurance to cover the cost of the vaccination.
- Employee Wellbeing Challenges

Section 6 – Career Wellbeing

- a. Career wellbeing is focused on how you occupy your time or what you like to do every day. We will work with you to find your niche or talent so you can thrive and feel good about working in our passionate environment.

- Support for Professional Development
- Board Briefings with Staff
- Opportunities to serve on Quality Improvement or Strategic Planning Teams

Section 7 – Social Wellbeing (Work-Life Integration)

- a. SWHHS encourages staff to employ work-life balance/integration. Work-life integration is an outcome of people exercising control and choice in their life to meet life's challenges. This can be in terms of managing work responsibilities alongside their personal and family needs. SWHHS is cognizant of this struggle and supports a conducive work environment for achieving a work-life integration outcome, knowing it is likely to motivate its employees to work more efficiently and productively. SWHHS is committed to providing a work environment and culture that fosters personal and professional success and satisfaction.

**SOUTHWEST HEALTH AND HUMAN SERVICES
PERSONNEL POLICY NUMBER 14**

We do this by offering:

- Competitive Benefits Program (Medical and Vacation Time)
- Leave policies that help employees cope with personal and family crises
- Flexible Schedules and Telecommuting Options
- Agency Support for Employee Recognition Events and Outings
- Highlight New Employees and Years of Service
- Sand Creek Employee Assistance Program (EAP) – A confidential third-party-administered employee assistance program through Sand Creek. Professionals help with life’s most difficult problems, from counseling referrals to finding day care. Support is available 24/7.

Section 8 – Financial Wellbeing

- a. Effectively managing your economic life is part of your financial wellbeing. We help you plan for the future so you can focus on the present.
- Financial Benefit – Besides health insurance (health and dental coverage), eligible colleagues can contribute to the Public Employees Retirement Association (PERA) which includes an employer-match and deferred compensation options through a 457(b) retirement savings plan.
 - Insurance Broker – Marsh & McLennan Agency (MMA) partners with SWHHS to help colleagues and their families navigate the health care system, from researching conditions to reviewing bills.

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PERSONNEL POLICY NUMBER 14**

Section 9 – Physical Wellbeing

a. Supporting Physical Activity in the Workplace

Exercising and physical activity are key to weight management and a strong and healthy body that's less prone to injury and illness. Studies show that physical fitness among employees leads to fewer sick days, better attitudes, reduce stress, improved goal setting and achievement, and sustained energy and ability to focus on the task at hand.

SWHHS offers the following options for staff to engage in physical activity throughout the 37.5 hour work week:

- Active Paid Breaks (walking, biking, stretching, lifting weights). The agency has made available various walking routes through the wellness blog.
- Active meetings (walking or biking) are limited to 30 minutes. Three or fewer individuals can be involved and the topic doesn't require handouts or note taking. Place "active meeting" on Outlook Calendar.
- Standing meetings are limited to less than 60 minutes. Attendees are welcome to stand or sit as needed. Reasonable accommodations should be considered when hosting a meeting.
- Active transportation, such as biking or walking, to work destinations (reasonable time approximately 15 minutes)
- Flexible workday which accommodates physical activity before, during, or after work hours
- Standing work stations are available for check out via Outlook Calendar at each county site

b. Improving Access to Healthier Food in the Workplace

SWHHS encourages healthy food choices for employees and visitors of the agency. These guidelines support a healthy food environment that encourages healthy eating. A healthy food environment includes vending machines, healthy snack stations, work areas and break rooms, as well as meetings, events and celebrations where food and beverages are served.

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PERSONNEL POLICY NUMBER 14**

These guidelines include:

- Examples of healthy food and beverages choices such as vegetables, fresh fruit, whole grain foods, and water as an option for any meeting, event or gathering if offered or provided. SWHHS will prepare a guideline for suggested healthy food options.
- Offer a healthy snack station, low cost honor system, at each county site choosing to participate.
- Food Storage and Preparation: SWHHS provides environmental accommodations for food preparation and storage (e.g. sinks, refrigerators, microwaves) and encourages employees to bring healthy lunches and snacks to work.

c. Breastfeeding Support in the Workplace

In recognition of the well-documented health advantages of breastfeeding for infants and mothers, SWHHS provides a supportive environment to enable breastfeeding employees to express their milk during work hours.

- **Pumping Session During Work** – SWHHS encourages new moms to continue expressing milk for their infant after returning from FMLA. SWHHS will provide a private space for milk expression. Modern hands-free pumping equipment allows for moms to pump while they work in private. SWHHS will allow up to three paid pumping sessions per agency work day. If a mother chooses to pump while working, she is still eligible for her two paid 15 minute breaks per day.
- **A Place to Express Milk** – A private room (not a toilet stall or restroom) shall be available for employees to breastfeed or express milk. The room will be private and sanitary, located near a sink with running water for washing hands and rinsing out breast pumps parts, and have an electrical outlet. If employees prefer, they may also breastfeed or express milk in their own private office, or in other comfortable locations agreed upon in consultation with the employee's supervisor. Expressed milk can be stored in a designated refrigerator.
- **Breastfeeding Equipment** – SWHHS provides electric breast pumps to assist breastfeeding employees with milk expression during work hours at a lactation site. Moms purchase personal attachment kits for individual use. Thermoelectric coolers are available for use during extended work stays such as conferences or workshops.

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- **Staff Support** – Supervisors are responsible for alerting pregnant and breastfeeding employees about SWHHS’ worksite lactation support program and for negotiating policies and practices that will help facilitate each employee’s infant feeding goals. It is expected that all employees will assist in providing a positive atmosphere of support for breastfeeding moms.

Section 10 – Community Wellbeing

- a. Community wellbeing is about your sense of engagement within your community. We give you the chance to give back while at work, which gives you time to find balance in another area in your life.
 - **Payroll Deduction for Charity** – Employees can elect to have dollars directly deducted from their paycheck to contribute to select charities.
 - **Community Volunteer Policy** – Volunteer for an approved emergency or community service for up to six hours per year on work time.

**SOUTHWEST HEALTH AND HUMAN SERVICES
ADMINISTRATIVE POLICY NUMBER 1**

EFFECTIVE DATE: 01/01/11

REVISION DATE: ~~06/19/13~~ 12/17/14

AUTHORITY: Southwest Health and Human Services Joint Governing Board
MN Statutes Chapter 13 from 13.001 to 13.089
MN Rules Governing Data Privacy Chapter 1205 from 1205.0100 to 1250.2000
Other Federal and State Statutes That Take Precedents over Chapter 13
MN DHS Bulletin #02-85-01 – County Human Services Records Retention
Schedule
2002 SSIS Business Rules for Purge
DHS Bulletins re: HIPAA: 01-29-01; 01-29-02

--- DATA PRIVACY POLICY AND PROCEDURES ---

Section 1 - Introduction

- a. The purpose of this policy is to assist the staff of Southwest Health and Human Services in complying with the data privacy statutes to: 1) safeguard information about individuals that the agency collects, stores, and creates; and 2) to facilitate access to information that the agency has collected or created according to existing state and federal statutes and rules, including the Health Care Insurance Portability & Accountability Act (HIPAA) of 1996, also referred to as the "Privacy Regulation," intended to enhanced security and privacy of Individuals Identifiable Health Information (IIHI).

- b. Data privacy is a form of an implied contract between an individual supplying information and the agency needing information to provide services. Implied in this agreement is the intention of supplying information for a specific program purpose. If the information is to be used for another purpose by another program, other individuals or agencies different from public health or human services, the individual must consent to such use. Individuals have the right to know why the information is requested, how it will be used, who will have access to the information. They also have the right to contest accuracy. The public also has the right to certain information of the agency in order to monitor and evaluate governmental activities. None of these rights are absolute. A privacy policy attempts to maintain a balance between the rights of the individual and the public.

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ADMINISTRATIVE POLICY NUMBER 1**

domestic violence; d) uses and disclosures for health oversight activities; e) disclosures for judicial and administrative hearings; f) disclosures for law enforcement purposes; g) uses and disclosures about decedents; h) uses and disclosures for cadaveric organ, eye or tissue donation purposes; i) uses and disclosures for research purposes; j) uses and disclosures to avert a serious threat to health or safety; k) uses and disclosures for specialized government functions; and l) disclosures for workers' compensation.

Dissemination of HIPAA Policies and Procedures - The Agency will place a copy of its HIPAA Policies and Procedures for public consumption on its main public bulletin board.

Section 6 – Computer Data

- a. Information generated by the computer has the same classification of data as that of the individual records and files. Staff will follow the same privacy policies procedure in the use of computer information as individual records and files. Passwords are considered as non-public data. All agency computers will require passwords with a designated minimum number of characters. Passwords will be changed on a regular basis. Employees will set their screensavers to “lock” in 5 a matter of minutes as a further precaution to protect privacy.

Section 7 – Security of Individual Files

- a. Security of individual files is contained by isolating the case records into the working areas. Authorized clerical people are to have access to these files as well as the other appropriate designated personnel. All case notes are to be maintained within SSIS, with only appropriate personnel having access to this information. Case notes created outside of SSIS must be imported and maintained within the SSIS system.

In order to provide proper data security in access to records, staff shall make every effort to return case files to their respective file drawer at the end of each working day. Files shall not be kept on staff members' work area over night unless their office door is locked. Not more than a reasonable number of 3 files shall be kept on a staff member's desk at one time. If a staff member is to conduct an interview at their desk, files on their desk should be put out of sight so that they cannot be seen by any other clients.

No case records shall leave the office without the knowledge of a supervisor. If a record is taken out of the office and out of the building, it shall be transported in the appropriate container that has a designation, Property of “Southwest Health and Human Services” on it.

The Agency will provide access to IHI only to those employees on a “need to know” basis. Employees will only be given information that the employee needs to have in

**SOUTHWEST HEALTH AND HUMAN SERVICES
ADMINISTRATIVE POLICY NUMBER 10**

EFFECTIVE DATE: 01/19/11

REVISION DATE: 12/17/14

AUTHORITY: Southwest Health and Human Services Joint Governing Board

--- LAN, E-MAIL, INTERNET ACCESS, AND PERSONAL COMPUTING EQUIPMENT ---

Section 1 - Introduction

- a. This policy has been prepared to serve as a guide for the effective and efficient use and operation of Southwest Health and Human Service Local Area Network (LAN). Hereinafter, Southwest Health and Human Services will be referred to as Agency. It is also to provide guidance on use of e-mail and Internet access associated with the Agency LAN.
- b. The LAN is to be used for conducting Agency business. Any information created or stored on the Agency LAN is the property of the Agency. The Agency reserves the right to monitor LAN usage to determine compliance with this policy.
- c. Any deviation from the established policy of operation and use will be recognized only on the authority of the Southwest Health and Human Services Governing Board or its designee.

Section 2 - Definitions

- a. Local Area Network (LAN): That system comprised of all equipment associated with a computer network including, but not necessarily limited to, Agency provided computer, monitor, keyboard, mouse, printer/s, servers, and software.
- b. Electronic Mail (e-mail): Text based, electronic communications distributed via a communications network. This can include documents, memos, data, or other electronically transmitted communications. It is Agency property and intended for Agency business. All data and other electronic messages within this system are the property of the Agency.
- c. Internet Access: Access via agency network connection to the Internet.

Section 3 - System Security

- a. Password Protection - Access to the LAN system will be password protected. Do not share your password with other employees and especially non-Agency personnel. If non-Agency personnel need access to the LAN, the department head should contact the data processing department.

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ADMINISTRATIVE POLICY NUMBER 10**

- b. Software - As viruses and security are of major concern, the only software to be used on the LAN system is that which is provided by the Agency. Employees will not be allowed to add software to their PC or introduce information or data from outside the Agency without permission from their supervisor and the data processing department.

Only agency standard software is allowed. Any other software must be approved by data processing prior to purchasing and installation on any PC or the LAN.

It is understood that there may be occasions when it is necessary to introduce data from outside the Agency LAN. All data must be screened for viruses prior to introduction into the LAN system.

- c. Screen Lock – Employee work stations will automatically lock off after 5 minutes of inactivity. Staff shall lock their work station if leaving their desk.

Section 4 - Hardware/Personal Computing Equipment

- a. Only agency supplied computer hardware and associated peripherals are allowed to be used. Personally supplied devices may not be connected to agency equipment, unless required and authorized by data processing for specific business reasons.

Section 5 - Electronic Mail

- a. Purpose - The Agency supports utilizing e-mail to increase timely and effective business communications throughout the Agency. The purpose of this policy is to encourage appropriate use of e-mail as an effective and efficient business communications tool.
- b. Access - All employees of the Agency will have access to e-mail.
- c. Security and Administration - Individual e-mail access will be password protected. While this security measure is beyond the usual measure taken to protect access to paper records and telephones, it should be recognized that no system of communication is completely secure, including e-mail.

An employee's e-mail address is owned by the Agency. When an individual's employment with the Agency is terminated, the e-mail administrator may either remove that individual's e-mail address or redirect their e-mail to another employee.

Problems or issues regarding e-mail should be directed to the data processing unit. Guest e-mail accounts for individuals not employed by the Agency may be allowed in appropriate circumstances and will always be password protected.

- d. Appropriate E-mail Usage and Guidelines - The e-mail system is provided by the Agency

**SOUTHWEST HEALTH AND HUMAN SERVICES
ADMINISTRATIVE POLICY NUMBER 14**

EFFECTIVE DATE: 02/15/12

REVISION DATE: 12/17/14

AUTHORITY: Southwest Health and Human Services Joint Governing Board
DHS Bulletins 01-29-01; 01-29-02

--HEALTH CARE INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA)--

Section 1 - Purpose

- a. The Federal Health Insurance Portability and Accountability Act (HIPAA) was passed by Congress in 1996. HIPAA responds to concerns from citizens, the health care industry and government agencies for enhanced security and privacy of individual health information. In passing HIPAA, Congress intended to:
- *Improve the portability and continuity of health insurance coverage for consumers;*
 - *Combat waste, fraud, and abuse in health insurance and health care delivery;*
 - *Standardize electronic data interchanges between health care organizations;*
 - *Protect the security, privacy, and availability of individual health information.*

Section 2 - Appointment and Duties of Data Privacy Officer and Security Officer

- a. Dale Hiland, Social Services Supervisor and ~~Cris Gilb~~Carol Biren, ~~Director of Nursing Public Health Director~~ are the designated Privacy Officers and Karri Harvey, Management Information Supervisor is the Security Officer for HIPAA purposes. These people are responsible for the development and implementation of the policies and procedures required by HIPAA Standards for Privacy of Individuals Identifiable Health Information (IIHI) or Electronic Individuals Identifiable Health Information (eIIHI), hereafter referred to as the "privacy regulation." The Privacy Officers also serve as the people to receive complaints and who should provide further information about matters covered by the privacy notice. The Privacy Officers need to be familiar with the privacy regulation. Delegation of some of these duties may be given to other supervisors of the agency. The Security Officer needs to familiar with the HIPAA Security rules.

Section 3 - Minimum Necessary Policies

- a. The agency will make reasonable efforts to limit the use and disclosure of ~~IIHI~~eIIHI to a minimum. Release will be to accomplish the intended purpose of the use or disclosure. In general, release policies do not apply in the following circumstances:
- Disclosures for treatment.
 - Use or disclosures made to the individual subject of the data, as permitted

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ADMINISTRATIVE POLICY NUMBER 14**

under HIPAA regulations.

- Use and disclosure made pursuant to an authorization.
- Disclosures made to DHS, Office of Civil Rights.
- Use or disclosure as required by law or court order.
- Use or disclosure required for compliance with the privacy regulation.

b. **Uses** - ~~For appropriate uses, the agency will provide access to IIHI only to those employees on a "need to know" basis. Employees will only be given information that the employee needs to have in order to accomplish a given function and only for proper administration of an appropriate health-related program and HIPAA.~~ For appropriate uses, the agency is permitted to use and disclose private IIHI/eIIHI as follows:

- To the individual who is the subject of the data.
- For treatment, payment, or health care operations.
- Those persons or entities that are authorized by the client to receive their IIHI/eIIHI.
- Those entities that are required or allowed by the privacy regulations and state law.
- Those employees on a "need to know" basis. Employees will only be given information that the employee needs to have in order to accomplish a given function and only for proper administration of an appropriate health-related program and HIPAA.

c. **Routine Disclosures** - For appropriate uses, the agency will limit the amount of IIHI/eIIHI ~~##H~~ disclosed to the amount reasonably necessary to achieve the purpose of the disclosure on a case-by-case basis.

d. **Non-routine Disclosures** - For appropriate uses, the agency will release non-routine IIHI/eIIHI ~~##H~~ when it is determined that the request constitutes a valid request and IIHI/eIIHI ~~##H~~ to be disclosed will be limited to the amount reasonably necessary to accomplish the purpose of the disclosure on a case-by-case basis.

e. **Limit Request to Minimum Necessary** - The agency will limit its requests for disclosure of IIHI/eIIHI ~~##H~~ to the amount necessary to accomplish the purpose for which the request is made.

f. **Ability to Rely on Request for Minimum Necessary** - The agency may rely on a reasonable request as the minimum necessary for the stated purpose(s) when:

- The disclosure is to a public official as allowed in the social responsibility reporting found in section 45 CFR 164.512.
- The information is requested by another covered entity.
- The information is requested by an employee or business associate of the

**SOUTHWEST HEALTH AND HUMAN SERVICES
ADMINISTRATIVE POLICY NUMBER 14**

agency.

- The disclosure is for research purposes and the HIPAA Privacy Board has documented a waiver approval as required by 45 CFR 164.512 (1).

Section 4 - Access to Designated Record Set

- a. **Individual Rights** - Individuals have a right to access any protected health information that is used to make decisions about the individual subject of the data, including information used to make health care decisions or information used to determine whether a claim will be paid. The individual has a right to access their “designated record set.” The right of access also applies to health care clearinghouses; health care providers that create or receive protected IIHI/eIIHI ~~HHI~~—other than as a business associate of the Agency.
- b. **Designated Record Set** - For the agency’s purposes, the following is defined as a “designated record set.”
- A group of records maintained by the agency that is;
 - a) the medical records and billing records about individuals,
 - b) the enrollment, payment, claims adjudication, and case management record systems maintained by the agency,
 - c) used, in whole or in part, by or for the agency to make decisions about individuals.
 - The term “record” means any item, collection, or grouping of information that includes protected IIHI/eIIHI ~~HHI~~—data and is maintained, collected, used or disseminated by the Agency.
- c. **Access Limitation Exceptions** - The agency will permit any individual to request access to inspect or copy the designated record set for as long as it is maintained by the Agency with the following exceptions:
- Information compiled in reasonable anticipation of a civil, criminal or administrative action or proceeding.
 - Information held by clinical laboratories if access is prohibited by the Clinical Laboratory Improvements Amendment of 1988 (42 USC 263a), e.g., HIV testing.
 - Any data determined by Minnesota State Law to be determined to be “confidential,” or “private” i.e.,
 - medical or psychological information stamped confidential
 - names of reporters
 - adoption records
 - chemical dependency records (per MN Statute Chapter 254A; section 09.)

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- all information related to IRS – IEVS (Income Eligibility Verification Systems), e.g., UNVI or BEER matches
 - In accordance with SWHHS Data Privacy Policy and Procedures, Administrative Policy Number 1
 - Any data not released due to confidential designation will be documented by the agency as to type, source, and date. The individual will be provided with this documentation.
- d. **Written Request Required** - The agency will require that any individual requesting access to put that request in writing. A **Request for Disclosure of Information (AG#115)** document should be completed. The worker will forward the request to the unit supervisor and send a copy to the Office Services Supervisor for entry into a master log. This procedure applies to all requests with the **exception of income verifications**. (Note: Income verifications **do** require releases of information.) An individual who is the subject of Individual Identifiable Health Information may authorize the release to third persons by a written authorization. Such authorization must:
- Be in plain language.
 - Describe the health information to be used or disclosed.
 - Describe the purpose of the use or disclosure.
 - State an expiration date or event.
 - Identify the Agency department, and the user or recipient of the information.
 - Include specified notifications.
 - Be signed and dated.
 - The document should be retained for six years and in accordance with the relevant records retention policy.
- e. **Receiving and Processing Requests** - Requests for access to IIHI/eIIHI ### will be handled by the supervisor of the unit. Written requests may be also directed via fax at 507-537-6088 to the attention of the supervisor. The Office Services Supervisor will maintain a **Master Data Practices Request Log (AG#116)** indicating requests for IIHI/eIIHI ### data.
- f. **Providing Access** - If the agency provides access to IIHI/eIIHI ###, it will act on the request within 30 calendar days. One 30-day extension will be allowed. The agency will charge a reasonable, cost-based fee (fifteen cents per copy) that will only include the cost of copying, postage and preparation of an agreed-upon summary or explanation of the IIHI/eIIHI ###. Individuals are entitled to one copy of IIHI/eIIHI ### data or information regarding policy and procedure at no charge. Charges will be limited, where applicable, by M.S. 144.335, subd. 5 and 13.03 subd. 3, which states, “a provider or its representatives must not charge a fee to provide copies of records requested by a

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patient or the patient's authorized representative if the request for copies of records is for the purpose of appealing the denial of social security disability income or social

security disability benefits under Title II or Title XVI of the Social Security Act. For the purpose of further appeals, a patient may receive no more than two medical record updates without charge, but only for medical information not provided. For purposes of

this paragraph, a patient's authorized representative does not include units of state government engaged in the adjudication of social security disability claims."

g. **Denying Access** - If the agency denies access to IIHI/eIIHI ###, the agency will provide a timely, written denial that states the basis for the denial and the procedures for making a complaint to the Privacy Officers. The individual has a right to a review of the denial of access by an Agency-designated licensed health professional who did not participate in the original decision to deny access. Reviewable reasons for denial include but are not limited to the following:

- A licensed health care professional has determined, in the exercise of professional judgment, that the access requested is reasonably likely to endanger the life or physical safety of the individual or another person.
- The protected IIHI/eIIHI ### makes reference to another person (unless such other person is a health care provider) and a licensed health care professional has determined, in the exercise of professional judgment, that the access requested is reasonably likely to cause substantial harm to such other person.
- The request for access is made by the individual's personal representative and a licensed health care professional has determined, in the exercise of professional judgment, that the provision of access to such personal representative is reasonably likely to cause substantial harm to the individual or another person.
- A court order has been obtained allowing the agency to deny access.

h. **Access to Management Information System Data** - Some information maintained by the agency is not used to make health care decisions, such as management information systems that are used for quality control or peer review analysis (e.g. Infopac). In accordance with the privacy regulations, the agency is not required to grant an individual access to protected IIHI/eIIHI ### maintained in these types of information systems.

i. **Accounting of Disclosures** - The agency will obtain from the Master Data Practices Request Log and provide, upon request, a 6-year accounting of disclosures made of the individual's IIHI/eIIHI ###, except for disclosures:

- To carry out treatment, payment or health care operations.
- To the individual data subject (i.e., requests the individual made about his own information).

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- To facility directories or to person's involved in the individual's care or other notification purposes (45 CFR 164.510 (b)).
- For national security or intelligence purposes.
- To corrections officials or law enforcement personnel when the individual is in custody (45 CFR 164.512 (k) (5)).
- Which were made before the compliance date.
- To a record locator service, unless the individual has elected to be excluded from the service.

In certain circumstances involving health oversight agencies or law enforcement agencies, the agency may temporarily suspend the individual's right to receive an accounting of disclosures. (45 CFR 164.528(a)(2)).

Section 5 - Amendment Requests

- a. The agency will permit an individual to request that the agency amend IIHI/eIIHI ###. (See Minnesota Statute 13.04, Subd. 4). The agency will require that the request be in writing, clearly identify the information to be amended, and that a reason be stated for the amendment. The agency will so inform any individual of this expectation. All requests to amend IIHI/eIIHI ### data should be sent to the Director, Southwest Health and Human Services, 607 West Main Street, Suite 100, Marshall, Minnesota 56258.
- b. The agency will have up to 60 calendar days to act on the request. One 30 day extension is allowed. The subject of the data's written request will become a part of any case file maintained on the subject. The document will be retained in accordance with the Agency's General Record Retention Schedule (see SWHHS Data Privacy Policy and Procedures, Administrative Policy Number 1).
- c. Requests for amendment may be denied if the information to be amended:
 - If the agency was not the originator of the information, unless the originator is no longer available to amend the request.
 - Is not part of the designated record set.
 - Is not accessible to the individual because of federal or state law does not permit it.
 - Is accurate and complete as determined by the agency upon review.

Accepting an Amendment - If the Agency decides to accept an amendment, the Agency will:

- Make the appropriate amendment to the protected IIHI/eIIHI ### or record that is the subject of the request for amendment by, at a minimum, identifying the

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records in the designated record set that are affected by the amendment and appending or otherwise providing a link to the location of the amendment.

- Inform the individual in a timely manner that the amendment has been accepted. The Agency will obtain agreement from the individual to allow the Agency to share the amendment with individuals or entities identified by the individual and the Agency.
- Make reasonable efforts to inform and provide the amendment within a reasonable time to:
 - a) persons identified by the individual as having received protected IIHI/eIIHI ~~###~~ about the individual and needing the amendment; and
 - b) persons, including business associates, that the Agency knows have the protected IIHI/eIIHI ~~###~~ that is the subject of the amendment and that may have relied, or could foreseeable rely, on such information to the detriment of the individual.

Denying an Amendment - If the Agency denies all or a part of the requested amendment, the Agency will:

- Provide the individual with a timely, written denial. The denial will use plain language and contain:
 - a) the basis for the denial;
 - b) the individual's right to submit a written statement disagreeing with the denial and how the individual may file such a statement;
 - c) a statement that, if the individual does not submit a statement of disagreement, the individual may request that the Agency provide the individual's request for amendment and the denial with any future disclosures of the protected IIHI/eIIHI ~~###~~ that is the subject of the amendment; and
 - d) a description of how the individual may complain to the Agency or make appeal pursuant to Administrative Procedures Act (Minn. Stats. Chapter 14). ~~to DHS, Office for Civil Rights.~~
- Permit the individual to submit a written statement disagreeing with the denial of all or part of a requested amendment and the basis of such agreement.
- Prepare a written rebuttal to the individual's statement of disagreement.
- Identify the record or protected IIHI/eIIHI ~~###~~ in the designated record set that is the subject of the disputed amendment and append or otherwise link the individual's request for an amendment, the Agency's denial of the request, the individual's statement of disagreement, if any, and the Agency's rebuttal, if any, to the designated record set.
- If the individual has submitted a statement of disagreement, the Agency must include the material appended, or an accurate summary of any such information, with any subsequent disclosure of the protected IIHI/eIIHI ~~###~~ to which the disagreement relates.

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- If the individual has not submitted a written statement of disagreement, the agency will include the individual's request for amendment and its denial, or an accurate summary of such information, with any subsequent disclosure of IIHI/eIIHI ### only if the individual has requested such action.

Actions on Notice of an Amendment - If the Agency is informed by another covered entity of an amendment to an individual's IIHI/eIIHI ###, the Agency will amend the protected IIHI/eIIHI ### in designated record sets. Amendments will be made in a reasonable time period, as expeditiously as possible.

Documentation - All requests to amend IIHI/eIIHI ### data should be sent to the Director, Southwest Health and Human Services, 607 West Main Street, Suite 100, Marshall, Minnesota 56258. All requests to amend documentation will be retained in accordance with the Agency's approved **General Records Retention Schedule** (refer to SWHHS Data Privacy Policy and Procedures, Administrative Policy Number 1).

Section 6 – Business Associate Relationships

Business Associate Relationships and Amending Business Associate Contracts or Agreements

A "business associate" is a person or entity who is not a member of the Agency workforce and who performs a function for the Agency which requires it to use, disclose, create or receive IIHI/eIIHI ###. The Agency may disclose IIHI/eIIHI ### to another entity if it receives satisfactory assurances, provided in a written contract, that the business associate will appropriately safeguard the IIHI/eIIHI ###. If the Agency and business associate are both governmental entities, a memorandum of agreement will provide satisfactory assurances.

The requirement for business associates does not apply to:

- Disclosures made to a provider for treatment.
- Disclosures made to a health plan sponsor.
- Use or disclosures by a health plan that is a government program providing public benefits, if eligibility for, or enrollment in, the health plan is determined by an agency other than the agency administering the health plan, or if the protected IIHI/eIIHI ### used to determine enrollment or eligibility in the health plan is collected by an agency other than the agency administering the health plan, and such activity is authorized by law, with respect to the collection and sharing of IIHI/eIIHI ### for the performance of such functions by the health plan and the agency other than the agency administering the health plan.

Obtaining Satisfactory Assurances in Contracts - The contract or other written arrangement will provide satisfactory assurances to the Agency that the business associate will comply with HIPAA requirements necessary to protect the protected IIHI/eIIHI ### shared by the Agency.

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The contract or other written arrangement will establish permitted and required uses and disclosures and will also require the business associate to:

- Appropriately safeguard to prevent inappropriate use or disclosure of ~~the~~ IIHI/eIIHI ~~###~~ in compliance with the Privacy Rule.
- Report any ~~misuse~~ unauthorized use or disclosure of IIHI/eIIHI ~~###~~ when they become aware of it.
- Secure satisfactory assurances from any subcontractor.
- Grant individuals access and ability to amend their IIHI/eIIHI ~~###~~.
- Make available an accounting of disclosures that only provides the minimum amount of IIHI/eIIHI to complete and accomplish the intended purpose.
- Release applicable records to the Agency or Department of Human Services if requested.
- Upon termination, return or destroy all IIHI/eIIHI ~~###~~.
- Require implantation and maintenance of a security program regarding IIHI/eIIHI to comply with the Security Rule.
- Designate a primary and secondary contact including phone number and email addresses. If contact should change, business associate is responsible for updating the contact information for the new contact in a timely manner.

Documenting Sanctions for Non-Compliance - The contract or other written arrangement will authorize termination if the business associate violates its terms. If the Agency knows of a pattern of non-compliance with HIPAA by the business associates, the Agency realizes it will be found to be non-compliant unless the Agency took reasonable steps to cure the breach or end the violation, as applicable, and, if such steps were unsuccessful:

- Terminated the contract or arrangement, if feasible; or
- If termination is not feasible, reported the problem to the Department of Human Services.

Verification Policies - Before disclosing IIHI/eIIHI ~~###~~, the Agency will verify the identity of the person requesting the IIHI/eIIHI ~~###~~ and the authority of that person to have access. The Agency may rely on written statements, if such reliance is reasonable. For public officials, the Agency may rely on an identification badge or a letter written on government letterhead.

For requests by phone, the Agency will obtain a number to return the call, establish the legitimacy of the number provided, call the person back at the verified number, and confirm that the person is who he or she claims to be. The Agency will treat a personal representative as the individual for purposes of the privacy regulations:

- A personal representative is someone who has, under applicable law, the authority to act on behalf of an individual in making decisions related to health care.
- The Agency will abide by special provisions for un-emancipated minors, deceased

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individuals, and abuse-neglect and endangerment situations.

Section 7 – Miscellaneous

Alternative Means of Communication Request

The Agency will accommodate all reasonable requests from individuals to receive communication of protected IIHI/eIIHI ~~###~~ by alternative means or at an alternative location, provided the individual clearly states that disclosure of all or part of that information could endanger the individual.

Limited Data Sets - Limited data sets may be created and disclosed without authorizations for research, public health or health care operations. However, without an exception to the authorization requirements, the health information must be “fully de-identified” for use or disclosure without an authorization. A limited data set excludes information that directly identifies individuals, such as names, social security numbers, facial photographs, addresses and the like. The recipient of a limited data set must enter into a “Data Use Agreement.” The Data Use Agreement is similar to a business agreement, but prohibits re-identifying the information or contacting the individuals.

Miscellaneous

Restricted Use Request - The Agency will allow an individual to request that the Agency restricts its use and disclosure of ###IIHI/EIIHI for treatment, payment or health care operations. The Agency is not required to agree to the restriction. However, if the Agency agrees to the restriction, it will not violate that agreement, except for emergency treatment.

Limit Use Disclosures to Those Authorized by the Client - ###IIHI/EIIHI will be provided to the individual and to the Office of Civil Rights. Disclosure of ###IIHI/EIIHI will be allowed under the following circumstances:

- 1) if the client has authorized a use or disclosure;
- 2) if the disclosure is for health care operations, payment or treatment and the client has signed a consent form for the provider, or a consent form is not required;
- 3) if the client has agreed to the disclosure for a facility directory or to an individual necessary for the care of the individual; or
- 4) if the disclosure is one of the social responsibility disclosures and all conditions for such disclosure are met. Social responsibility disclosures include:
 - a) uses and disclosures required by law;
 - b) use and disclosures for public health activities;
 - c) disclosures about victims of abuse, neglect or domestic violence;
 - d) uses and disclosures for health oversight activities;
 - e) disclosures for judicial and administrative hearings;
 - f) disclosures for law enforcement purposes;
 - g) uses and disclosures about decedents;
 - h) uses and disclosures for cadaveric organ, eye or tissue donation purposes;

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- i) uses and disclosures for research purposes; j) uses and disclosures to avert a serious threat to health or safety;
- k) uses and disclosures for specialized government functions; and l) disclosures for workers' compensation.

Complaints Policy - The Agency will provide a process for individuals to make complaints to the Agency concerning its HIPAA privacy regulations policies and procedures, its compliance with those policies or procedures or its compliance with the privacy regulations itself. The notice provided to individuals will include a brief description of how individuals may file a complaint, including the title, phone number and address to contact for further information on the policies for filing a complaint. Complaints should be submitted on the **Data Practices Complaint Intake**, form #AG117 and directed to the Privacy Officer. The Agency will record complaints in the **Data Practices Complaint Intake Log**, form #AG118. The Office Services Supervisor will document all complaints received and their disposition. At least annually, the Southwest Health and Human Services Governing Board will be informed of all complaints and their disposition.

Anti-Retaliation Policy - The Agency will not retaliate against any person for exercising a right under the HIPAA privacy regulations, or for filing a complaint, participating in an investigation, or opposing any lawful act relation to the privacy regulations.

Appropriate Administrative, Technical and Physical Safeguards - The Agency will reasonably safeguard protected ###IHI/EIHI from any intentional or unintentional use or disclosure that is in violation of the HIPAA privacy standards. Records stored in the Agency will be kept secure at all times. Employees who are handling ###IHI/EIHI information during the course of the day will protect the privacy of the material. This will be done by putting working documents away at the end of the day, the fax machine will be in a secure area and information about clients will not be left sitting in the fax machine, staff will not e-mail ###IHI/EIHI data unless clients have signed a specific release for said purpose. All agency computers will require passwords with a designated minimum number of characters. Passwords will be changed on a regular basis. Employees will set their screensavers to "lock" in a matter of minutes as a further precaution to protect privacy. On an annual basis, all Agency employees will receive training on proper data practices procedures.

Training - The Agency will train all members of its workforce in the policies and procedures adopted by the Agency necessary to comply with the HIPAA privacy regulations. Agency staff will receive initial training at the time of implementation of the privacy regulations at a mandatory meeting following board approval of the policy. Additional training will be provided to each new member of the Agency's work force at the time of hire as part of new employee

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orientations provided by the Office Services Supervisor and the direct supervisor, and each member of the workforce whose functions are affected by a material change in the required

policies or procedures. The Agency will apply appropriate disciplinary sanctions to employees who fail to comply with the Agency's privacy policies or procedures or who fail to comply with the HIPAA privacy regulations. Such corrective actions shall be consistent with the Agency's corrective action policy.

Dissemination of HIPAA Policies and Procedures - The Agency will place a copy of its HIPAA Policies and Procedures for public consumption on its main public bulletin board and web site.

Public Health Division:

1. As part of public health's registration materials, public health will request an individual's written consent for our practice to use and disclose an individual's IHI/eIHI for the following types of activities:

- Treatment - Treatment means the provision, coordination, or management of an individual's health care and related services by health care providers involved in an individual's care. Students may be a member of the health care team. It includes the coordination or management of health care by a provider with a third party insurance carrier, communication with lab or imaging providers for test results, consultation between agency clinical staff and other health care providers relating to an individual's care, or agency referral of an individual to a specialist physician or facility. Public health treatment includes collaboration with other community agencies to address an individual's health needs, including schools, community action agencies, food shelves, transportation providers who are not typically considered "health care" providers.
- Payment - Payment means our activities to obtain reimbursement for the medical services provided to an individual, including billing, claims management, and collection activities. Payment also may include an individual's insurance carrier's efforts in determining eligibility, claims processing, assessing medical necessity, and utilization review. Payment may also include activities carried out on our behalf by one or more of our collection agencies or agents in order to secure payment on delinquent bills.
- Health Care Operations - Health care operations mean the legitimate business activities of our practice. These activities may include quality assessment and improvement activities; fraud & abuse compliance; business planning & development; and business management & general administrative activities. These can also include agency telephoning an individual to remind an individual of appointments, or using a translation service if public health needs to communicate with an individual in person,

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or on the telephone, in a language other than English. When public health involves third parties in public health business activities, the agency will have them sign a Business Associate Agreement obligating them to safeguard an individual's IIHI/eIIHI according to the same legal standards we follow.

2. Electronic Exchange of IIHI

Public Health may transfer an individual's IIHI to other treating health care providers electronically. The agency may also transmit an individual's information to an individual's insurance carrier electronically.

3. Uses and Disclosures of IIHI Based Upon Your Written Authorization

Other uses and disclosures of your IIHI/eIIHI will be made only with an individual's specific written authorization. This allows an individual to request disclosure of limited IIHI to specified individuals or companies for a defined purpose and timeframe. For example, an individual may wish to authorize disclosures to individuals who are not involved in treatment, payment, or health care operations, such as a family member, attorney or other special program. If an individual wish public health to make disclosures in these situations, public health will ask an individual to sign an authorization allowing public health to disclose this IIHI/eIIHI to the designated parties.

4. Uses and Disclosures of PHI Permitted or Required by Law

In some circumstances, we may be legally bound to use or disclose an individual's IIHI/eIIHI without an individual's consent or authorization. State and federal privacy law permit or require such use or disclosure regardless of an individual's consent or authorization in certain situations, including, but not limited to:

- Emergencies. If you are incapacitated and require emergency medical treatment, we will use and disclose your PHI to ensure you receive the necessary medical services. We will attempt to obtain your consent as soon as practical following your treatment.

- Others Involved in an individual's Healthcare: Upon an individual's verbal authorization, public health may disclose to a family member, close friend or other person an individual designate only that IIHI/eIIHI that directly relates to that individual's involvement in an individual's healthcare and treatment. Public Health may also need to use IIHI/eIIHI to notify a family member, personal representative or someone else responsible for an individual's care of an individual's location and general condition.

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- Communication barriers. If public health tries but cannot obtain an individual's consent to use or disclose an individual's IIHI/eIIHI because of substantial communication barriers and an individual's physician, using his or her professional judgment, infers that an individual consent to the use or disclosure, or the physician determines that a limited disclosure is in the individual's best interests, the Agency may permit the use or disclosure.
- Required by Law: Public Health may disclose your IIHI /eIIHI to the extent that its use or disclosure is required by law. This disclosure will be made in compliance with the law and will be limited to the relevant requirements of the law.
- Public Health/Regulatory Activities: Public Health may disclose your IIHI/eIIHI to an authorized public health authority to prevent or control disease, injury, or disability or to comply with state child or adult abuse or neglect law. Public Health is obligated to report suspicion of abuse and neglect to the appropriate regulatory agency.
- Food and Drug Administration: Public Health may disclose your IIHI/eIIHI to a person or company as required by the Food and Drug Administration to report adverse events, product defects or problems, biologic product deviations as well as to track product usage, enable product recalls, make repairs or replacements or to conduct post-marketing surveillance.
- Health oversight activities. Public Health may disclose an individual's IIHI/eIIHI to a health oversight agency for audits, investigations, inspections, and other activities necessary for the appropriate oversight of the health care system and government benefit programs such as Medicare and Medicaid.
- Judicial and administrative proceedings. Public Health may only disclose an individual's IIHI/eIIHI in the course of any judicial or administrative proceeding in response to a court order expressly directing disclosure, or in accordance with specific statutory obligation compelling us to do so, or with your permission.
- Law enforcement activities. Public health may not disclose an individual's IIHI/eIIHI to a law enforcement officer for law enforcement purposes without court order, statutory obligation or patient authorization.
- Coroners, medical examiners, funeral directors and organ donation organizations: Public Health may disclose an individual's IIHI/eIIHI to a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death, or other lawful duties. Public Health also may disclose an individual's IIHI/eIIHI to enable a

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funeral director to carry out his or her lawful duties. IIHI/eIIHI may also be disclosed to organ banks for cadaveric organ, eye, bone, tissue and other donation purposes.

- Research. Public Health may disclose an individual's IIHI/eIIHI for certain medical or scientific research where approved by an institutional review board and where the researchers have a protocol to ensure the privacy of an individual's IIHI/eIIHI.
- Serious threats to health or safety. Public Health may disclose an individual's IIHI/eIIHI to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.
- Military activity & national security. Public Health may disclose the IIHI/eIIHI of members of the armed forces for activities deemed necessary by appropriate military command authorities to assure proper execution of the military mission. Public Health also may disclose an individual's IIHI/eIIHI to certain federal officials for lawful intelligence and other national security activities.
- Worker's Compensation: Public Health may disclose an individual's IIHI/eIIHI as authorized to comply with worker's compensation law.
- Inmates of a Correctional Facility: Public Health may use or disclose IIHI/eIIHI if an individual is an inmate of a correctional facility and our practice created or received an individual's IIHI/eIIHI in the course of providing care to an individual while in custody.
- U.S. Department of Health and Human Services: Public Health must disclose an individual's IIHI/eIIHI to that individual upon request and to the Secretary of the United States Department of Health & Human Services to investigate or determine the agency's compliance with the privacy laws.
- Disaster Relief Activities: Public Health may disclose an individual's IIHI/eIIHI to local, state or federal agencies engaged in disaster relief and to private disaster relief assistance organizations (such as the Red Cross if authorized to assist in disaster relief efforts).

5. Information obtained from individuals applying for, or participating in the WIC Program is considered private and may not be disclosed to any unauthorized person(s).

The Minnesota Government Data Practices Act, Minnesota Statute 13.01-13.99, regulates the collection, creation, storage, maintenance, dissemination, and access to government data from state agencies. Under this act, government data is public unless federal law, state statute, or temporary classification rules specify otherwise. WIC data is private under Federal WIC Regulations, Section 246.26(d). This regulation restricts the use and disclosure of information

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from WIC applicants and participants to persons directly connected with the administration or enforcement of the program and the Comptroller General of the United States. At the direction of the Food and Nutrition Service, information obtained under the program may be used for consumer summaries, statistical use, or other types of reporting which does not identify individuals. For the purpose of writing reports, state and federal WIC staff may allow others to have access to summary WIC data.

Section 8 – Breach Notification

a. Purpose: To provide guidance for breach notification by covered entities when impermissible or unauthorized access, acquisition, use and/or disclosure of the organization’s patient protected health information occurs. Breach notification will be carried out in compliance with the American Recovery and Reinvestment Act (ARRA)/Health Information Technology for Economic and Clinical Health Act (HITECH), Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the Health Information Technology for Economic and Clinical Health Act (Omnibus Rule), as well as any other federal or state notification law.

The Federal Trade Commission (FTC) has published breach notification rules for vendors of personal health records as required by ARRA/HITECH. The FTC rule applies to entities not covered by HIPAA, primarily vendors of personal health records. The rule is effective September 24, 2009 with full compliance required by February 22, 2010.¹

b. Background: The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009. Title XIII of ARRA is the Health Information Technology for Economic and Clinical Health Act (HITECH). HITECH significantly impacted the Health Insurance Portability and Accountability (HIPAA) Privacy and Security Rules. While HIPAA did not require notification when patient protected health information (PHI) was inappropriately disclosed, covered entities may have chosen to include notification as part of the mitigation process. HITECH required notification of certain breaches of unsecured PHI to the following: individuals, Secretary of the Department of Health and Human Services (HHS), and the media. The effective implementation date for these provisions was September 23, 2009.

In January of 2013, the “Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the Health Information Technology for Economic and Clinical Health Act and the Genetic Information Nondiscrimination Act; Other Modifications to the HIPAA Rules” (Omnibus Rule) modified the HITECH definition of a breach to eliminate the previous “harm” standard. Effective September 23, 2013, it states that an “acquisition, access, use, or

¹ 16 CFR Part 318 Available at: <http://www.ftc.gov/os/2009/08/R911002hbn.pdf>.

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disclosure in a manner not permitted is presumed to be a breach unless the covered entity or business associate, as applicable, demonstrates that there is a low probability that the protected health information has been compromised based on a risk assessment” of at least the following factors:

1. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
2. The unauthorized person who used the protected health information or to the disclosure was made;
3. Whether the protected health information was actually acquired or viewed; and
4. The extent to which the risk to the protected health information has been mitigated.²

c. Definitions:

Access: Means the ability or the means necessary to read, write, modify, or communicate data/ information or otherwise use any system resource.³

Agent: An agent of the organization is determined in accordance with federal common law of agency. The organization is liable for the acts of its agents. An agency relationship exists if the organization has the right or authority of the organization to control the agent’s conduct in the course of performing a service on behalf of the organization (i.e. give interim instructions, direct the performance of the service).

Breach: Means the acquisition, access, use, or disclosure of protected health information (PHI) in a manner not permitted under the Privacy Rule which compromises the security or privacy of the PHI and is presumed to be a breach unless the covered entity or business associate, as applicable, demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:

1. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
2. The unauthorized person who used the protected health information or to the disclosure was made;
3. Whether the protected health information was actually acquired or viewed; and
4. The extent to which the risk to the protected health information has been mitigated.⁴

Breach excludes:

1. Any unintentional acquisition, access or use of PHI by a workforce member or person

² 45 CFR §164.402

³ 45 CFR §164.304.

⁴ 45 CFR §164.402

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acting under the authority of a Covered Entity (CE) or Business Associate (BA) if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Rule.

2. Any inadvertent disclosure by a person who is authorized to access PHI at a CE or BA to another person authorized to access PHI at the same CE or BA, or organized health care arrangement in which the CE participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the Privacy Rule.

3. A disclosure of PHI where a CE or BA has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.⁵

Covered Entity: A health plan, health care clearinghouse, or a healthcare provider who transmits any health information in electronic form.⁶

Disclosure: Disclosure means the release, transfer, provision of, access to, or divulging in any manner of information outside the entity holding the information.⁷

Individually Identifiable Health Information: That information that is a subset of health information, including demographic information collected from an individual, and is created or received by a health care provider, health plan, employer, or health care clearinghouse; and relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and identifies the individual; or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.⁸

Law Enforcement Official: Any officer or employee of an agency or authority of the United States, a State, a territory, a political subdivision of a State or territory, or an Indian tribe, who is empowered by law to investigate or conduct an official inquiry into a potential violation of law; or prosecute or otherwise conduct a criminal, civil, or administrative proceeding arising from an alleged violation of law.⁹

⁵ ARRA/HITECH Title XIII Section 13400; §164.402.

⁶ 45 CFR § 160.103.

⁷ 45 CFR § 160.103.

⁸ 45 CFR § 164.503.

⁹ 45 CFR § 164.103.

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Organization: For the purposes of this policy, the term “organization” shall mean Southwest Health and Human Services to which the policy and breach notification apply.

Protected Health Information (PHI): Protected health information means individually identifiable health information that is: transmitted by electronic media; maintained in electronic media; or transmitted or maintained in any other form or medium (see regulations for complete definition and exclusions)¹⁰

Unsecured Protected Health Information: Protected health information (PHI) that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of Pub. L.111-5 on the HHS website.

1. Electronic PHI has been encrypted as specified in the HIPAA Security rule by the use of an algorithmic process to transform data into a form in which there is a low probability of assigning meaning without the use of a confidential process or key and such confidential process or key that might enable decryption has not been breached. To avoid a breach of the confidential process or key, these decryption tools should be stored on a device or at a location separate from the data they are used to encrypt or decrypt.¹¹ The following encryption processes meet this standard.
 - A. Valid encryption processes for data at rest (i.e. data that resides in databases, file systems and other structured storage systems) are consistent with NIST Special Publication 800-111, Guide to Storage Encryption Technologies for End User Devices.
 - B. Valid encryption processes for data in motion (i.e. data that is moving through a network, including wireless transmission) are those that comply, as appropriate, with NIST Special Publications 800-52, Guidelines for the Selection and Use of Transport Layer Security (TLS) Implementations; 800-77, Guide to IPsec VPNs; or 800-113, Guide to SSL VPNs, and may include others which are Federal Information Processing Standards FIPS 140-2 validated.
2. The media on which the PHI is stored or recorded has been destroyed in the following ways:
 - A. Paper, film, or other hard copy media have been shredded or destroyed such that the PHI cannot be read or otherwise cannot be reconstructed. Redaction is specifically excluded as a means of data destruction.
 - A. Electronic media have been cleared, purged, or destroyed consistent with NIST Special Publications 800-88, Guidelines for Media Sanitization, such that the

¹⁰ 45 CFR § 164.503.

¹¹ 45 CFR Parts 160 and 164; Final Rules Issued 8/19/09.

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PHI cannot be retrieved.¹²

Workforce: Workforce means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a covered entity or business associate, is under the direct control of such entity, whether or not they are paid by the covered entity or business associate.¹³

d. Policy Statement/s:

1. Discovery of Breach: A breach of PHI shall be treated as “discovered” as of the first day on which an incident that may have resulted in a breach is known to the organization, or, by exercising reasonable diligence would have been known to the organization (includes breaches by the organization’s business associates). The organization shall be deemed to have knowledge of a breach if such breach is known or by exercising reasonable diligence would have been known, to any person, other than the person committing the breach, who is a workforce member or agent (e.g. a business associate acting as an agent of the organization) of the organization. Following the discovery of a potential breach, the organization shall begin a conduct a risk assessment, and based on the results of the risk assessment, begin the process to notify each individual whose PHI has been, or is reasonably believed to by the organization to have been accessed, acquired, used, or disclosed as a result of the breach. The organization shall also begin the process of determining what external notifications are required or should be made (e.g., Secretary of Department of Health & Human Services (HHS), media outlets, law enforcement officials, etc.)
2. Breach Investigation: The organization shall name an individual to act as the investigator of the breach (e.g., privacy officer, security officer, risk manager, etc.). The investigator shall be responsible for the management of the breach investigation, completion of a risk assessment, and coordinating with others in the organization as appropriate (e.g., administration, security incident response team, human resources, risk management, public relations, legal counsel, etc.) The investigator shall be the key facilitator for all breach notification processes to the appropriate entities (e.g., HHS, media, law enforcement officials, etc.). All documentation related to the breach investigation, including the risk assessment and notifications made, shall be retained for a minimum of six years.¹⁴
3. Risk Assessment: For an acquisition, access, use or disclosure of PHI to constitute a breach, it must constitute a violation of the Privacy Rule. A use or disclosure of PHI that is incident to an otherwise permissible use or disclosure and occurs despite reasonable

¹² HHS issued guidance on protecting personally identifiable healthcare information; document was the work of a joint effort by HHS, its Office of the National Coordinator for Health Information Technology and Office for Civil Rights, and the CMS (Issued 4/17/09).

¹³ 45 CFR § 164.103.

¹⁴ 45 CFR §164.530(j)(2).

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safeguards and proper minimum necessary procedures would not be a violation of the Privacy Rule and would not qualify as a potential breach. An “acquisition, access, use, or disclosure in a manner not permitted is presumed to be a breach unless the covered entity or business associate, as applicable, demonstrates that there is a low probability that the protected health information has been compromised based on a risk assessment” of at least the following factors:

- A. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - B. The unauthorized person who used the protected health information or to the disclosure was made;
 - C. Whether the protected health information was actually acquired or viewed; and
 - D. The extent to which the risk to the protected health information has been mitigated.¹⁵
4. The organization shall document the risk assessment as part of the investigation in the incident report form noting the outcome of the risk assessment process. The organization has the burden of proof for demonstrating that all notifications were made as required or that the use or disclosure did not constitute a breach. Based on the outcome of the risk assessment, the organization will determine the need to move forward with breach notification. The organization may make breach notifications without completing a risk assessment.
5. Timeliness of Notification: Upon determination that breach notification is required, the notice shall be made without unreasonable delay and in no case later than 60 calendar days after the discovery of the breach by the organization involved or the business associate involved that is acting as the organization’s agent. It is the responsibility of the organization to demonstrate that all notifications were made as required, including evidence demonstrating the necessity of delay.
6. Delay of Notification Authorized for Law Enforcement Purposes: If a law enforcement official states to the organization that a notification, notice, or posting would impede a criminal investigation or cause damage to national security, the organization shall:
- A. If the statement is in writing and specifies the time for which a delay is required, delay such notification, notice, or posting of the time period specified by the official; or
 - B. If the statement is made orally, document the statement, including the identify of the official making the statement, and delay the notification, notice, or posting temporarily and no longer than 30 days from the date of the oral

¹⁵ 45 CFR §164.402

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statement, unless a written statement as described above is submitted during that time.¹⁶

7. Content of the Notice: The notice shall be written in plain language¹⁷ and must contain the following information:

- A. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
- B. A description of the types of unsecured protected health information that were involved in the breach (such as whether full name, Social Security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved).
- C. Any steps the individual should take to protect themselves from potential harm resulting from the breach.
- D. A brief description of what the organization is doing to investigate the breach, to mitigate harm to individuals, and to protect against further breaches.
- E. Contact procedures for individuals to ask questions or learn additional information, which includes a toll-free telephone number, an e-mail address, Web site, or postal address.

8. Methods of Notification: The method of notification will depend on the individuals/entities to be notified. The following methods must be utilized accordingly:

A. Notice to Individual(s): Notice shall be provided promptly and in the following form:

- 1. Written notification by first-class mail to the individual at the last known address of the individual or, if the individual agrees to electronic notice and such agreement has not been withdrawn, by electronic mail. The notification shall be provided in one or more mailings as information is available. If the organization knows that the individual is deceased and has the address of the next of kin or personal

representative of the individual, written notification by first-class mail to the next of kin or personal representative shall be carried out. Limited examples (refer to preamble for more examples):

- a. The organization may send one breach notice addressed to both a plan participant and the participant's spouse or other dependents under the plan who are affected by a breach, if

¹⁶ 45 CFR § 164.412.

¹⁷ Some organizations may have obligations under Civil Rights laws to ensure that breach notifications are provided to individuals in alternative languages, and in alternative formats, such as Braille, large print, or audio, where appropriate. Additional guidance on how to comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990, is available on the OCR Web site at <http://www.hhs.gov/ocr/civilrights/> (HHS Federal register comments, p. 5652, 1/25/13)

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they all reside at a single address and all individuals to which the notice applies are clearly identified on the notice. When a plan participant (and/or spouse) is not the personal representative of a dependent under the plan, however, address a breach notice to the dependent himself or herself.

- b. In the limited circumstance that an individual affirmatively chooses not to receive communications from a health care provider at any written addresses or email addresses and has agreed only to receive communications orally or by telephone, the provider may telephone the individual to request and have the individual pick up their written breach notice from the provider directly. In cases in which the individual does not agree or wish to travel to the provider to pick up the written breach notice, the health care provider should provide all of the information in the breach notice over the phone to the individual, document that it has done so, and the Department will exercise enforcement discretion in such cases with respect to the “written notice” requirement.

2. Substitute Notice: In the case where there is insufficient or out-of-date contact information (including a phone number, email address, etc.) that precludes direct written or electronic notification, a substitute form of notice reasonably calculated to reach the individual shall be provided. A substitute notice need not be provided in the case in which there is insufficient or out-of-date contact information that precludes written notification to the next of kin or personal representative.

- a. In a case in which there is insufficient or out-of-date contact information for fewer than 10 individuals, then the substitute notice may be provided by an alternative form of written notice, telephone, or other means.

- a-b. In the case in which there is insufficient or out-of-date contact information for 10 or more individuals, then the substitute notice shall be in the form of either a conspicuous posting for a period of 90 days on the home

page of the organization’s website, or a conspicuous notice in a major print or broadcast media in the organization’s geographic areas where the individuals affected by the breach likely reside. The notice shall include a toll-free number that remains active or at least 90 days where an individual can learn whether his or her PHI may be included in the breach.

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3. If the organization determines that notification requires urgency because of possible imminent misuse of unsecured PHI, notification may be provided by telephone or other means, as appropriate in addition to the methods noted above.

B. Notice to Media: Notice shall be provided to prominent media outlets serving the state and regional area (of the breached patients) when the breach of unsecured PHI affects 500 or more of the organization's patients of a State or jurisdiction.

1. The Notice shall be provided in the form of a press release.

2. What constitutes a prominent media outlet differs depending upon the State or jurisdiction where the organization's affected patients reside. For a breach affecting more than 500 individuals across a particular state, a prominent media outlet may be a major, general interest newspaper with a daily circulation throughout the entire state. In contrast, a newspaper serving only one town and distributed on a monthly basis, or a daily newspaper of specialized interest (such as sports or politics) would not be viewed as a prominent media outlet. Where a breach affects more than 500 individuals in a limited jurisdiction, such as a city, then a prominent media outlet may be a major, general-interest newspaper with daily circulation throughout the city, even though the newspaper does not serve the whole State¹⁸.

C. Notice to Secretary of HHS: Notice shall be provided to the Secretary of HHS as follows below. The Secretary shall make available to the public on the HHS Internet website a list identifying covered entities involved in all breaches in which the unsecured PHI of more than 500 patients is accessed, acquired, used, or disclosed.¹⁹

1. For breaches involving 500 or more individuals, the organization shall notify the Secretary of HHS as instructed at www.hhs.gov at the same time notice is made to the individuals.

2. For breaches involving less than 500 individual, the organization will maintain a log of the breaches. The breaches may be reported during

the calendar year or no later than 60 days after the end of that calendar year in which the breaches were discovered (e.g., 2012 breaches must be submitted by 3/1/2013 – 60 days). Instructions for submitting the logged breaches are provided at www.hhs.gov.²⁰

¹⁸ (HHS Federal register comments, p. 5653, 1/25/13)

¹⁹ Note: If the breach involves "secured" PHI, no notification needs to be made to HHS.

²⁰ For calendar year 2009, the organization is required to submit information to the HHS secretary for breaches occurring after the September 23, 2009 effective implementation date.

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9. Maintenance of Breach Information/Log: As described above and in addition to the reports created for each incident, the organization shall maintain a process to record or

10. Log all breaches of unsecured PHI regardless of the number of patients affected.²¹ The following information should be collected/logged for each breach.

- A. A description of what happened, including the date of the breach, the date of the discovery of the breach, and the number of patients affected, if known.
- B. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, etc.).
- C. A description of the action taken with regard to notification of patients, the media, and the Secretary regarding the breach.
- D. The results of the risk assessment.
- E. Resolution steps taken to mitigate the breach and prevent future occurrences.

11. Business Associate Responsibilities: In 2013, the Omnibus Rule extended liability for compliance to the HIPAA Privacy and Security Rules to business associates and their subcontractors. With these modifications, business associates are now directly liable for impermissible uses and disclosures, provision of breach notification to the covered entity, completing breach risk assessments, breach documentation requirements, and civil and criminal penalties for violations. The business associate (BA) of the organization that accesses, creates, maintains, retains, modifies, records, stores, transmits, destroys, or otherwise holds, uses, or discloses unsecured protected health information shall, without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, notify the organization of such breach (when the business associate is an agent of the organization, this notification must be provided within a shorter timeframe as specified in the Business Associate Agreement policy). Such notice shall include the identification of each individual whose unsecured protected health information has been, or is reasonably believed by the BA to have been, accessed, acquired, or disclosed during such breach.²² The BA shall provide the organization with any other available information that the organization is required to include in notification to the individual at the time of the notification or promptly thereafter as information becomes available. Upon notification by the BA of discovery of a breach, the organization will be responsible for notifying affected individuals, unless otherwise agreed upon by the BA to notify the affected individuals (note: it is the responsibility of the Covered Entity to document this notification).

²¹ The organization shall delegate this responsibility to one individual (e.g., Privacy Officer).

²² Business associate responsibility under ARRA/HITECH, and the Omnibus Rule for breach notification should be included in the organization's business associate agreement (BAA) with the associate (See www.hipaacow.org for BAA information).

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12. Workforce Training: The organization shall train all members of its workforce on the policies and procedures with respect to PHI as necessary and appropriate for the members to carry out their job responsibilities. Workforce members shall also be

trained as to how to identify and promptly report breaches within the organization, as well as return or destroy PHI, as appropriate for the incident. Workforce members that assist in investigating, documenting, and resolving breaches are trained on how to complete these activities.

13. Complaints: The organization must provide a process for individuals to make complaints concerning the organization's patient privacy policies and procedures or its compliance with such policies and procedures. Individuals have the right to complain about the organization's breach notification processes.²³

14. Sanctions: The organization shall have in place and apply appropriate sanctions against members of its workforce who fail to comply with privacy policies and procedures.

15. Retaliation/Waiver: The organization may not intimidate, threaten, coerce, discriminate against, or take other retaliatory action against any individual for the exercise by the individual of any privacy right. The organization may not require individuals to waive their privacy rights under as a condition of the provision of treatment, payment, enrollment in a health plan, or eligibility for benefits.

e. Applicable Federal/State Regulations:

- Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the Health Information Technology for Economic and Clinical Health Act (Omnibus Rule)
- ARRA Title XIII Section 13402 – Notification in the Case of Breach
- FTC Breach Notification Rules - 16 CFR Part 318
- 45 CFR Parts 160 and 164 – HIPAA Privacy and Security Rules
- WI § 134.98 – Notice of Unauthorized Acquisition of Personal Information (Note: Not applicable to Covered Entities under HIPAA).

Section 9 – Auditing Information System Activity

a. Southwest Health and Human Services shall audit access and activity of electronic protected health information (ePHI) applications, systems, and networks and address standards set forth by the HIPAA Security Rule to ensure compliance to safeguarding the privacy and security of

²³ The organization may want to consider adding this right to complaint about the breach notification process to their Notice of Privacy Practices.

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ePHI. The Security Rule²⁴ requires healthcare organizations to implement reasonable hardware, software, and/or procedural mechanisms that record and examine activity in information systems that contain or use ePHI. Audit activities may be limited by application, system, and/or network auditing capabilities and resources. Southwest Health and Human Services shall make reasonable and good-faith efforts to safeguard information privacy and security through a well-thought-out approach to auditing which is consistent with available resources.

Applicable Standards/Regulations from HIPAA Security Rule:

- 45 CFR § 164.308(a)(1)(ii)(D) – Information System Activity Review
- 45 CFR § 164.308(a)(5)(ii)(B) & (C) – Protection from Malicious Software & Log-in Monitoring
- 45 CFR § 164.308(a)(2) – HIPAA Security Rule Periodic Evaluation
- 45 CFR § 164.312(b) – Audit Controls
- 45 CFR § 164.312(c)(2) – Mechanism to Authenticate ePHI
- 45 CFR § 164.312(e)(2)(i) – Integrity Controls

Responsible for Implementation:

- Security Officer
- Privacy Officer
- Administration

Applicable To:

- All Workforce Members
- Organization's Business Associates

Violation of this policy and its procedures by workforce members may result in corrective disciplinary action, up to and including termination of employment. Violation of this policy and procedures by others, including providers, providers' offices, business associates and partners may result in termination of the relationship and/or associated privileges. Violation may also result in civil and criminal penalties as determined by federal and state laws and regulations.

b. Purpose:

It is the policy of Southwest Health and Human Services to safeguard the confidentiality, integrity, and availability of patient health information applications, systems, and networks. To ensure that appropriate safeguards are in place and effective, Southwest Health and Human Services shall audit access and activity to detect, report, and guard against:

- Network vulnerabilities and intrusions.

²⁴ The HIPAA Security Rule does not describe in detail the data that must be gathered in an audit trail or the length of time the audit trails must be kept.

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- Breaches in confidentiality and security of patient protected health information.
- Performance problems and flaws in applications.
- Improper alteration or destruction of ePHI (information integrity).

This policy applies to organizational information applications, systems, networks, and any computing devices, regardless of ownership [e.g., owned, leased, contracted, and/or stand-alone].

c. Scope:

This policy has been developed to address the organization-wide approach to information system auditing processes. Departments and business units shall work with the Security Officer and/or IS to develop specific procedures based on applications and systems for auditing processes.

d. Key Definitions:

Audit: Internal process of reviewing information system access and activity (e.g., log-ins, file accesses, and security incidents). An audit may be done as a periodic event, as a result of a patient complaint, or suspicion of employee wrongdoing. Audit activities shall also take into consideration Southwest Health and Human Services' information system risk assessment results.

Audit Controls: Technical mechanisms that track and record computer/system activities.

Audit Logs: Records of activity maintained by the system which provide: 1) date and time of significant activity; 2) origin of significant activity; 3) identification of user performing significant activity; and 4) description of attempted or completed significant activity.

Audit Trail: Means to monitor information operations to determine if a security violation occurred by providing a chronological series of logged computer events (audit logs) that relate to an operating system, an application, or user activities. Audit trails provide:

- Individual accountability for activities such as an unauthorized access of ePHI;
- Reconstruction of an unusual occurrence of events such as an intrusion into the system to alter information; and
- Problem analysis such as an investigation into a slowdown in a system's performance.

An audit trail identifies **who** (login) did **what** (create, read, modify, delete, add, etc.) to **what** (data) and **when** (date, time).

Electronic Protected Health Information (ePHI): Any individually identifiable health information protected by HIPAA that is transmitted by or stored in electronic media.

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Trigger Event: Activities that may be indicative of a security breach that require further investigation.

e. Procedures:

General

1. Responsibility for auditing information system access and activity is assigned to Southwest Health and Human Services, Security Officer or other designee as determined by Southwest Health and Human Services' administration. The responsible individual shall:
 - A. Assign the task of generating reports for audit activities to the individual responsible for the application, system, or network.
 - B. Assign the task of reviewing the audit reports to the individual responsible for the application, system, or network, the Privacy Officer, or any other individual determined to be appropriate for the task.
 - C. Organize and provide oversight to a team structure charged with audit compliance activities (e.g., parameters, frequency, sample sizes, report formats, evaluation, follow-up, etc.).

2. Southwest Health and Human Services' auditing processes shall address access and activity at the following levels listed below. Auditing processes may address date and time of each log-on attempt, date and time of each log-off attempt, devices used, functions performed, etc.
 - A. User: User level audit trails generally monitor and log all commands directly initiated by the user, all identification and authentication attempts, and files and resources accessed.
 - B. Application: Application level audit trails generally monitor and log user activities, including data files opened and closed, specific actions, and printing reports.
 - C. System: System level audit trails generally monitor and log user activities, applications accessed, and other system defined specific actions.
 - D. Network: Network level audit trails generally monitor information on what is operating, penetrations, and vulnerabilities.

3. Southwest Health and Human Services shall determine the systems or activities that will be tracked or audited by:
 - A. Focusing efforts on areas of greatest risk and vulnerability as identified in the information systems risk assessment and ongoing risk management processes.
 - B. Maintaining confidentiality, integrity, and availability of ePHI applications and systems.

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- C. Assessing the appropriate scope of system audits based on the size and needs of Southwest Health and Human Services by asking:
1. What information/ePHI is at risk?
 2. What systems, applications or processes are vulnerable to unauthorized or inappropriate access?
 - 3. What activities should be monitored (create, read, update, delete = CRUD)?
 4. What information should be included in the audit record?
- D. Assessing available organizational resources.
4. Southwest Health and Human Services shall identify “trigger events” or criteria that raise awareness of questionable conditions of viewing of confidential information. The “events” may be applied to the entire organization or may be specific to a department, unit, or application. At a minimum, Southwest Health and Human Services shall provide immediate auditing in response to:
- A. Patient complaint.
 - B. Employee complaint.
 - C. Suspected breach of patient confidentiality.
 - D. High risk or problem prone event (e.g., VIP admission)
 - E. Any action that causes suspicion or poses a concern
5. Southwest Health and Human Services shall determine auditing frequency by reviewing past experience, current and projected future needs, and industry trends and events. Southwest Health and Human Services will determine its ability to generate, review, and respond to audit reports using internal resources. Southwest Health and Human Services may determine that external resources are also appropriate. Southwest Health and Human Services recognizes that failure to address automatically generated audit logs, trails, and reports through a systematic review process may be more detrimental to the organization than not auditing at all (e.g., state/federal licensing and accrediting agencies).
6. Southwest Health and Human Services’ IS Department, Security Officer or designee is authorized to select and use auditing tools that are designed to detect network vulnerabilities and intrusions. Such tools are explicitly prohibited by others without the explicit authorization of the Security Officer. These tools may include, but are not limited to:
- A. Scanning tools and devices.
 - B. War dialing software.
 - C. Password cracking utilities.
 - D. Network “sniffers.”
 - E. Passive and active intrusion detection systems.

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7. Audit documentation/reporting tools shall address, at a minimum, the following data elements:

- A. Application, System, Network, Department, and/or User Audited.
- B. Audit Type.
- C. Individual/Department Responsible for Audit.
- D. Date(s) of Audit.
- E. Reporting Responsibility/Structure for Review Audit Results.
- F. Conclusions.
- G. Recommendations.
- H. Actions.
- I. Assignments.
- J. Follow-up.

8. The process for review of audit logs, trails, and reports shall include:

- A. Description of the activity as well as rationale for performing audit.
- B. Identification of which workforce members or department/unit will be responsible for review (workforce members shall not review audit logs which pertain to their own system activity).
- C. Frequency of the auditing process.
- D. Determination of significant events requiring further review and follow-up.
- E. Identification of appropriate reporting channels for audit results and required follow-up.

9. Vulnerability testing software may be used to probe the network to identify what is running (e.g., operating system or product versions in place), if publicly-known vulnerabilities have been corrected, and evaluate whether the system can withstand attacks aimed at circumventing security controls.

- A. Testing may be carried out internally or provided through an external third-party vendor. Whenever possible, a third party auditing vendor should not be providing the organization IT oversight services (e.g., vendors providing IT services should not be auditing their own services – separation of duties).
- B. Testing shall be done on an annual routine basis.

Audit Requests for Specific Cause

10. A request may be made for an audit for a specific cause. The request may come from a variety of sources including, but not limited to, Human Resources, Privacy Officer, Security Officer and/or a member of Southwest Health and Human Services' administration.

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11. A request for an audit for specific cause must include time frame, frequency, and nature of the request. The request must be reviewed and approved by Southwest Health and Human Services' Privacy or Security Officer.

12. A request for an audit as a result of a patient concern shall be initiated by Southwest Health and Human Services' Privacy Officer and/or Security Officer. Under no circumstances shall detailed audit information be shared with the patient at any time. Southwest Health and Human Services is not obligated to provide a detailed listing of those workforce members accessing a patient's PHI (operational function).
 - a. Should the audit disclose that a workforce member has accessed a patient's PHI inappropriately, the minimum necessary/least privileged information shall be shared with Southwest Health and Human Services' supervisor/and or Human Resources Department to determine appropriate sanction/ corrective disciplinary action.
 - b. Only de-identified information shall be shared with the patient regarding the results of the investigative audit process. This information will be communicated to the patient by Southwest Health and Human Services' Privacy Officer or designee. Prior to communicating with the patient, it is recommended that Southwest Health and Human Services consider seeking risk management and/or legal counsel.

Evaluation and Reporting of Audit Findings

13. Audit information that is routinely gathered must be reviewed in a timely manner by the individual/department responsible for the activity/process (e.g., weekly, monthly, quarterly, etc.).

14. The reporting process shall allow for meaningful communication of the audit findings to those departments/units sponsoring the activity.
 - a. Significant findings shall be reported immediately in a written format. Southwest Health and Human Services' security incident response form may be utilized to report a single event.
 - b. Routine findings shall be reported to the SWHHS Governing Boards in a written report format.

15. Reports of audit results shall be limited to internal use on a minimum necessary/ need-to-know basis. Audit results shall not be disclosed externally without administrative and/or legal counsel approval.

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16. Security audits constitute an internal, confidential monitoring practice that may be included in Southwest Health and Human Services' performance improvement activities and reporting. Care shall be taken to ensure that the results of the audits are disclosed to administrative level oversight structures only and that information which may further expose organizational risk is shared with extreme caution. Generic security audit information may be included in organizational reports (individually-identifiable patient PHI shall not be included in the reports).
17. Whenever indicated through evaluation and reporting, appropriate corrective actions must be undertaken. These actions shall be documented and shared with the responsible and sponsoring departments/units.

Auditing Business Associate and/or Vendor Access and Activity

18. Periodic monitoring of business associate and vendor information system activity shall be carried out to ensure that access and activity is appropriate for privileges granted and necessary to the arrangement between Southwest Health and Human Services and the external agency.
19. If it is determined that the business associate or vendor has exceeded the scope of access privileges, Southwest Health and Human Services' leadership must reassess the business relationship.
20. If it is determined that a business associate has violated the terms of the HIPAA business associate agreement/addendum, Southwest Health and Human Services must take immediate action to remediate the situation. Continued violations may result in discontinuation of the business relationship.

Audit Log Security Controls and Backup

21. Audit logs shall be protected from unauthorized access or modification, so the information they contain will be available if needed to evaluate a security incident. Generally, system administrators shall not have access to the audit trails or logs created on their systems.
22. Whenever possible, audit trail information shall be stored on a separate system to minimize the impact auditing may have on the privacy system and to prevent access to audit trails by those with system administrator privileges. This is done to apply the security principle of "separation of duties" to protect audit trails from hackers. Audit trails maintained on a separate system would not be available to hackers who may break into the network and obtain system administrator

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privileges. A separate system would allow Southwest Health and Human Services to detect hacking security incidents.

23. Audit logs maintained within an application shall be backed-up as part of the application's regular backup procedure.
24. Southwest Health and Human Services shall audit internal back-up, storage and data recovery processes to ensure that the information is readily available in the manner required. Auditing of data back-up processes shall be carried out:
- a. On a periodic basis (recommend at least annually) for established practices and procedures.
 - b. More often for newly developed practices and procedures (e.g., weekly, monthly, or until satisfactory assurance of reliability and integrity has been established).

Workforce Training, Education, Awareness and Responsibilities

25. Southwest Health and Human Services workforce members are provided training, education, and awareness on safeguarding the privacy and security of business and patient protected health information. Southwest Health and Human Services' commitment to auditing access and activity of the information applications, systems, and networks is communicated through new employee orientation, ongoing training opportunities and events, and applicable policies. Workforce members are made aware of responsibilities with regard to privacy and security of information as well as applicable sanctions/corrective disciplinary actions should the auditing process detect a workforce member's failure to comply with organizational policies.

External Audits of Information Access and Activity

26. Information system audit information and reports gathered from contracted external audit firms, business associates and vendors shall be evaluated and appropriate corrective action steps taken as indicated. Prior to contracting with an external audit firm, Southwest Health and Human Services shall:
- a. Outline the audit responsibility, authority, and accountability.
 - b. Choose an audit firm that is independent of other organizational operations.
 - c. Ensure technical competence of the audit firm staff.
 - d. Require the audit firm's adherence to applicable codes of professional ethics.
 - e. Obtain a signed HIPAA-compliant business associate agreement.

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- f. Assign organizational responsibility for supervision of the external audit firm.

Retention of Audit Information

27. Audit logs and trail report information shall be maintained based on organizational needs. There is no standard or law addressing the retention of audit log/trail information. Retention of this information shall be based on:
- a. Organizational history and experience.
 - b. Available storage space.
28. Reports summarizing audit activities shall be retained for a period of six years²⁵.

Applicable Standards/Regulations from HIPAA Security Rule:

- 45 CFR § 164.308(a)(1)(ii)(D) – Information System Activity Review
- 45 CFR § 164.308(a)(5)(ii)(B) & (C) – Protection from Malicious Software & Log-in Monitoring
- 45 CFR § 164.308(a)(8) – HIPAA Security Rule Periodic Evaluation
- 45 CFR § 164.312(b) – Audit Controls
- 45 CFR § 164.312(c)(2) – Mechanism to Authenticate ePHI
- 45 CFR § 164.312(e)(2)(i) – Integrity Controls

Sources:

- Handbook for HIPAA Security Implementation, American Medical Association, 2004
- IDX Applications Audits Policy, PeaceHealth, 2003
- Network Auditing Policy, Marshfield Clinic Network Security Policy, 2002
- HIPAA Security Made Simple, Practice Advice for Compliance, HCPRO, 2003
- Audit Trail Clarification White Paper, Version 4.0, WEDI-SNIP Security & Privacy Workgroup, 2003
- AHIMA Practice Brief: Security Audits, Updated, November 2003
- “What is Security Auditing?” Margret Amatayakul, AHIMA Journal, November 2004
- “An Introductory Resource Guide for Implementing the HIPAA Security Rule,” NIST Publication 800-866, May 2004
- “An Introduction to Computer Security, NIST Handbook,” NIST Publication 800-12
- IT Governance Institute, Cobit 3rd Edition Control Objectives, July 2000
- “HIPAA Audit and System Activity Review,” Journal of AHIMA, March 2005

Section 10 – HIPPA Security Oversights

²⁵ HIPAA Security Rule 45 CFR §164.105(c)(2) – Implementation Specification: Retention Period.

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Purpose and Appointment and Duties of Security Officer:

a. In accordance with the standards set forth in the HIPAA Security and HITECH Omnibus Rules, Southwest Health and Human Services is committed to ensuring the confidentiality, integrity, and availability of all electronic protected health information (ePHI) it creates, receives, maintains, and/or transmits. To provide for the appropriate development, implementation, and oversight of Southwest Health and Human Services' efforts toward compliance of the HIPAA security regulations, Southwest Health and Human Services has a designated Security Officer, Karri Harvey, responsible for facilitating the training and supervision of all workforce members, investigation and sanctioning of any workforce member that is in non-compliance with the HIPAA security regulations, and writing, implementing, and maintaining all policies, procedures, and documentation related to efforts toward HIPAA security compliance.

Responsible for Implementation:

Administration, management, Security Officer and IT staff

Applicable To:

All staff

Key Definitions:

Electronic Protected Health Information (ePHI): Any individually identifiable health information protected by HIPAA that is transmitted by or stored in electronic media.

Protected Health Information (PHI): Individually identifiable health information that is created by or received by the organization, including demographic information, that identifies an individual, or provides a reasonable basis to believe the information can be used to identify an individual, and relates to:

- Past, present or future physical or mental health or condition of an individual.
- The provision of health care to an individual.
- The past, present, or future payment for the provision of health care to an individual.

Workforce: Employees, volunteers (board members, community representatives), trainees (students), contractors and other persons whose conduct, in the performance of work for a covered entity, is under the direct control of such entity, whether or not they are paid by the covered entity.

Procedures:

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- 1. Security Officer Responsibilities.** The Security Officer, in collaboration with the Privacy Officer, is responsible for facilitating the development, implementation, and oversight of all activities pertaining to Southwest Health and Human Services' efforts to be compliant with the HIPAA Security Regulations. The intent of all oversight activities includes those necessary to maintain the confidentiality, integrity, and availability of ePHI. These responsibilities are included in the Security Officer's job description and include, but are not limited to the following:
 - A. Oversees and enforces all activities necessary to comply with the Security rule and verifies the activities are in alignment with the requirements.
 - B. Policies and procedures
 - i. Establishes, updates, and maintains written policies and procedures to comply with the Security rule.
 - ii. Retains them for six years from the date of creation or date it was last in effect, whichever is later.
 - iii. Provides copies of the policies and procedures to management, and has them available to review by all other workforce members to which they apply.
 - C. Periodically and as necessary, reviews and updates documentation to respond to environmental or operational changes affecting the security of ePHI.
 - D. Facilitates audits to validate Security compliance efforts throughout the organization.
 - E. Documents all activities and assessments completed to comply with the Security rule and maintain it for six years from the date of creation or date it was last in effect, whichever is later.
 - F. Implements procedures for the authorization and/or supervision of workforce members who work with ePHI or in locations where it may be accessed.
 - G. Maintains a program promoting workforce members to report non-compliance with established Security rule policies and procedures.
 - i. Promptly, properly, and consistently investigates and addresses reported violations and takes steps to prevent recurrence.
 - ii. Work with Deputy Director to apply consistent and appropriate sanctions against workforce members who fail to comply with the security policies and procedures of Southwest Health and Human Services.
 - iii. Mitigates to the extent practicable, any harmful effect known to Southwest Health and Human Services of a use or disclosure of ePHI in violation of Southwest Health and Human Services'and/or a business associate's policies and procedures.
 - H. Reports security efforts and incidents to administration in a timely manner.
 - I. Assists in the administration and oversight of business associates and agreements in place with them.
- 2. Workforce Training.**

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- A. Official workforce training must take place upon initial hiring for each employee, annually, and when there are changes to job function of an individual or policy and procedure changes.
- B. Training is mandatory for all workforce members.
- C. The Security Officer or designee maintains documentation of the training session materials and attendees for a minimum of six years.
- D. The training session focuses on, but is not limited to, the following subjects defined in Southwest Health and Human Services' security policies and procedures:
 - i. Southwest Health and Human Services will monitor access and activities of all workforce members and will address any discrepancies.
 - ii. Workstations may only be used to perform assigned job responsibilities.
 - iii. Workforce members may not download software onto Southwest Health and Human Services' workstations and/or systems without prior approval from the Security Officer or designee.
 - iv. Workforce members are required to report malicious software to the Security Officer or designee immediately.
 - v. Workforce members are required to report unauthorized attempts, uses of, and theft of Southwest Health and Human Services' systems and/or workstations.
 - vi. Workforce members are required to report unauthorized access to facilities.
 - vii. No workforce member may alter ePHI maintained in any system, even if they have the technical ability to do so without specific authorization.
 - viii. Workforce members will understand that they are responsible for the security of any portable devices that they use. The level of encryption and security must correspond to the most sensitive information stored on the device. Loss or theft must be reported immediately.
 - ix. Workforce members are required to understand their role in Southwest Health and Human Services' contingency plan
 - x. Workforce members may not share their user names nor passwords with anyone
 - xi. Workforce member's systems must be designed to require password change and complexity. Workforce members will be trained concerning these requirements.
 - xii. Workforce members must set all applications that contain or transmit ePHI to automatically log off after 5 minutes of inactivity
 - xiii. Supervisors are required to report terminations of workforce members and other outside workforce members.
 - xiv. Supervisors are required to report a change in a workforce member's title, role, department, and/or location
 - xv. Procedures to re-use or dispose of any portable media containing ePHI.
 - xvi. Email encryption policy
- E. The Security Officer facilitates the timely communication of security updates and reminders to all workforce members to which it pertains. Examples of security updates and reminders include, but are not limited to:

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- i. Latest malicious software or virus alerts
 - ii. Southwest Health and Human Services' requirement to report unauthorized attempts to access ePHI
 - iii. Changes in creating or changing passwords
 - iv. Changes in regulatory standards
 - F. Additional training is provided to workforce members in the information services department. This training is specific in nature, as to the Southwest Health and Human Services' requirements for their involvement including, but are not limited to:
 - i. Data backup plans
 - ii. System auditing procedures
 - iii. Redundancy procedures
 - iv. Contingency plans
 - v. Virus protection
 - vi. Patch management
 - vii. Media Disposal and/or Re-use
 - viii. Incidence response
 - ix. Documentation requirements
- 3. Supervision of Workforce. Although the Security Officer is responsible for implementing and overseeing all activities related to compliance to the Security rule, it is the responsibility of all leaders (i.e. team leaders, supervisors, managers, directors, senior leaders, etc.) to supervise all workforce members, including third party vendors, contractors or other users of Southwest Health and Human Services' systems, applications, servers, workstations, etc. that contain ePHI.
 - A. Leaders monitor workstations and applications for unauthorized use, tampering, and theft and report non-compliance. Leaders assist the Security Officer to ensure appropriate role-based access is provided to all workforce members.
 - B. Leaders take all reasonable steps to hire, retain, and promote workforce members and provide access to workforce members who comply with the Security regulation and Southwest Health and Human Services' security policies and procedures.
- 4. Investigation. All workforce members and any others with system access report non-compliance of Southwest Health and Human Services' policies and procedures to the Security or Privacy Officer or other individual as assigned Official. Individuals that report violations in good faith may not be subjected to intimidation, threats, coercion, discrimination against, or any other retaliatory action as a consequence.
 - A. The Security Officer promptly facilitates a thorough investigation of all reported violations of Southwest Health and Human Services' security policies and procedures. The Security Officer may request the assistance from others such as Human Resources, the workforce member's leader, other workforce members, and/or other vendor/contractors as needed.

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- i. Complete an audit trail/log to identify and verify the violation and sequence of events.
 - ii. Interview any individual that may be aware of or involved in the incident.
 - a. All individuals are required to cooperate with the investigation process and provide factual information to those conducting the investigation.
 - b. Provide individuals suspected of non-compliance of the Security rule and/or Southwest Health and Human Services' policies and procedures the opportunity to explain their actions to determine whether it was an unintentional or malicious deviation from established policies and procedures.
 - iii. The designated investigators thoroughly document the investigation in a timely manner.
 - iv. The Security Officer facilitates taking appropriate steps to prevent recurrence of the violation (when possible and feasible).
- B. Violation of any security policy or procedure by workforce members may result in corrective disciplinary action, up to and including termination of employment. Violation of this policy and procedures by others, including providers, providers' offices, business associates and partners may result in termination of the relationship and/or associated privileges. Violation may also result in civil and criminal penalties as determined by federal and state laws and regulations. Refer to Southwest Health and Human Services' Sanctions Policy.
- C. The Security Officer maintains all documentation of the investigation, sanctions provided, and actions taken to prevent reoccurrence for a minimum of six years after the conclusion of the investigation.

Applicable Standards/Regulations:

- 45 CFR §164.308(a)(2) HIPAA Security Rule Assigned Security Responsibility
- 45 CFR §164.308(a)(1)(ii)(c) HIPAA Security Rule Sanction Policy
- 45 CFR §164.308(a)(3)(ii)(A) HIPAA Security Rule Authorization and/or Supervision
- 45 CFR §164.308(a)(5)(ii)(A) HIPAA Security Rule Security Reminders
- 45 CFR §164.316(a-b) HIPAA Security Rule Documentation

Section 11 – Risk Management

a. Purpose:

This policy establishes the scope, objectives, and procedures of Southwest Health and Human Services' information security risk management process. The risk management process is intended to support and protect the organization and its ability to fulfill its mission.

b. Policy:

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1. It is the policy of Southwest Health and Human Services to conduct thorough and timely risk assessments of the potential threats and vulnerabilities to the confidentiality, integrity, and availability of its electronic protected health information (ePHI) (and other confidential and proprietary electronic information) and to develop strategies to efficiently and effectively mitigate the risks identified in the assessment process as an integral part of the organization's information security program.
2. Risk analysis and risk management are recognized as important components of Southwest Health and Human Services' compliance program and Information Technology (IT) security program in accordance with the Risk Analysis and Risk Management implementation specifications within the Security Management standard and the evaluation standards set forth in the HIPAA Security Rule, 45 CFR 164.308(a)(1)(ii)(A), 164.308(a)(1)(ii)(B), 164.308(a)(1)(i), and 164.308(a)(8).
 - A. Risk assessments are done throughout IT system life cycles:
 - i. Before the purchase or integration of new technologies and changes are made to physical safeguards;
 - ii. While integrating technology and making physical security changes; and
 - iii. While sustaining and monitoring of appropriate security controls.
 - B. The Southwest Health and Human Services performs periodic technical and non-technical assessments of the security rule requirements as well as in response to environmental or operational changes affecting the security of ePHI.
3. Southwest Health and Human Services implements security measures sufficient to reduce risks and vulnerabilities to a reasonable and appropriate level to:
 - A. Ensure the confidentiality, integrity, and availability of all ePHI the organization creates, receives, maintains, and/or transmits,
 - B. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI,
 - C. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required, and
 - D. Ensure compliance by workforce.
4. Any risk remaining (residual) after other risk controls have been applied, requires sign off by the Director.
5. All Southwest Health and Human Services workforce members are expected to fully cooperate with all persons charged with doing risk management work. Any workforce member that violates this policy will be subject to disciplinary action.
6. All risk management efforts, including decisions made on what controls to put in place as well as those to not put into place, are documented and the documentation is maintained for six years.

c. Scope

The scope of the information security risk management process covers the administrative, physical, and technical processes that enable and govern ePHI that is received, created, maintained or transmitted.

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d. Key Definitions:

Electronic Protected Health Information (ePHI): Any individually identifiable health information protected by HIPAA that is transmitted by or stored in electronic media.

Risk: The likelihood that a threat will exploit a vulnerability, and the impact of that event on the confidentiality, availability, and integrity of ePHI, other confidential or proprietary electronic information, and other system assets.

Risk Management Team: Individuals who are knowledgeable about the Organization's HIPAA Privacy, Security and HITECH policies, procedures, training program, computer system set up, and technical security controls, and who are responsible for the risk management process and procedures outlined below. This team is comprised of the Security Officer, Privacy Officer(s), Director, Deputy Director, and Social Services Division Director.

Risk Assessment: (Referred to as *Risk Analysis* in the HIPAA Security Rule); the process:

- Identifies the risks to information system security and determines the probability of occurrence and the resulting impact for each threat/vulnerability pair identified given the security controls in place;
- Prioritizes risks; and
- Results in recommended possible actions/controls that could reduce or offset the determined risk.

Risk Management: Within this policy, it refers to two major process components: risk assessment and risk mitigation. This differs from the HIPAA Security Rule, which defines it as a risk mitigation process only. The definition used in this policy is consistent with the one used in documents published by the National Institute of Standards and Technology (NIST).

Risk Mitigation: Referred to as *Risk Management* in the HIPAA Security Rule, and is a process that prioritizes, evaluates, and implements security controls that will reduce or offset the risks determined in the risk assessment process to satisfactory levels within an organization given its mission and available resources.

Threat: the potential for a particular threat-source to successfully exercise a particular vulnerability. Threats are commonly categorized as:

- Environmental – external fires, HVAC failure/temperature inadequacy, water pipe burst, power failure/fluctuation, etc.
- Human – hackers, data entry, workforce/ex-workforce members, impersonation, insertion of malicious code, theft, viruses, SPAM, vandalism, etc.
- Natural – fires, floods, electrical storms, tornados, etc.

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- Technological – server failure, software failure, ancillary equipment failure, etc. and environmental threats, such as power outages, hazardous material spills.
- Other – explosions, medical emergencies, misuse or resources, etc.

Threat Source – Any circumstance or event with the potential to cause harm (intentional or unintentional) to an IT system. Common threat sources can be natural, human or environmental which can impact the organization’s ability to protect ePHI.

Threat Action – The method by which an attack might be carried out (e.g., hacking, system intrusion, etc.).

Vulnerability: A weakness or flaw in an information system that can be accidentally triggered or intentionally exploited by a threat and lead to a compromise in the integrity of that system, i.e., resulting in a security breach or violation of policy.

e. Procedures:

1. The implementation, execution, and maintenance of the information security risk analysis and risk management process is the responsibility of Southwest Health and Human Services’ Security Officer.
2. **Risk Assessment:** The intent of completing a risk assessment is to determine potential threats and vulnerabilities and the likelihood and impact should they occur. The output of this process helps to identify appropriate controls for reducing or eliminating risk.

A. Step 1. System Characterization

- i. The first step in assessing risk is to define the scope of the effort. To do this, identify where ePHI is created, received, maintained, processed, or transmitted. Using information-gathering techniques, the IT system boundaries are identified, as well as the resources and the information that constitute the system. Take into consideration policies, laws, the remote work force and telecommuters, and removable media and portable computing devices (e.g., laptops, removable media, and backup media).
- ii. Output – Characterization of the IT system assessed, a good picture of the IT system environment, and delineation of system boundaries.

B. Step 2. Threat Identification

- i. In this step, potential threats (the potential for threat-sources to successfully exercise a particular vulnerability) are identified and documented. Consider all potential threat-sources through the review of historical incidents and data from intelligence agencies, the government, etc., to help generate a list of potential threats. The list should be based on the individual organization and its processing environment.

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- ii. Output – A threat statement containing a list of threat-sources that could exploit system vulnerabilities.

C. Step 3. Vulnerability Identification

- i. The goal of this step is to develop a list of technical and non-technical system vulnerabilities (flaws or weaknesses) that could be exploited or triggered by the potential threat-sources. Vulnerabilities can range from incomplete or conflicting policies that govern an organization’s computer usage to insufficient safeguards to protect facilities that house computer equipment to any number of software, hardware, or other deficiencies that comprise an organization’s computer network.
- ii. Output – A list of the system vulnerabilities (observations) that could be exercised by the potential threat-sources.

D. Step 4. Control Analysis

- i. The goal of this step is to document and assess the effectiveness of technical and non-technical controls that have been or will be implemented by the organization to minimize or eliminate the likelihood (or probability) of a threat-source exploiting a system vulnerability.
- ii. Output – List of current or planned controls (policies, procedures, training, technical mechanisms, insurance, etc.) used for the IT system to mitigate the likelihood of a vulnerability being exercised and reduce the impact of such an adverse event.

E. Step 5. Likelihood Determination

- i. The goal of this step is to determine the overall likelihood rating that indicates the probability that a vulnerability could be exploited by a threat-source given the existing or planned security controls.
- ii. Output – Likelihood rating of low (.1), medium (.5), or high (1). Refer to the NIST SP 800-30 definitions of low, medium, and high.

F. Step 6. Impact Analysis

- i. The goal of this step is to determine the level of adverse impact that would result from a threat successfully exploiting a vulnerability. Factors of the data and systems to consider should include the importance to the organization’s mission; sensitivity and criticality (value or importance); costs associated; loss of confidentiality, integrity, and availability of systems and data.
- ii. Output – Magnitude of impact rating of low (10), medium (50), or high (100). Refer to the NIST SP 800-30 definitions of low, medium, and high.

G. Step 7. Risk Determination

- i. This step is intended to establish a risk level. By multiplying the ratings from the likelihood determination and impact analysis, a risk level is determined. This

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represents the degree or level of risk to which an IT system, facility, or procedure might be exposed if a given vulnerability were exercised. The risk rating also presents actions that senior management (the mission owners) must take for each risk level.

- ii. Output – Risk level of low (1-10), medium (>10-50) or high (>50-100). Refer to the NIST SP 800-30 definitions of low, medium, and high.

H. Step 8. Control Recommendations

- i. The purpose of this step is to identify controls that could reduce or eliminate the identified risks, as appropriate to the organization’s operations to an acceptable level. Factors to consider when developing controls may include effectiveness of recommended options (i.e., system compatibility), legislation and regulation, organizational policy, operational impact, and safety and reliability. Control recommendations provide input to the risk mitigation process, during which the recommended procedural and technical security controls are evaluated, prioritized, and implemented.
- ii. Output – Recommendation of control(s) and alternative solutions to mitigate risk.

I. Step 9. Results Documentation

- i. Results of the risk assessment are documented in an official report or briefing and provided to senior management (the mission owners) to make decisions on policy, procedure, budget, and system operational and management changes.
- ii. Output – A risk assessment report that describes the threats and vulnerabilities, measures the risk, and provides recommendations for control implementation.

- 3. **Risk Mitigation:** Risk mitigation involves prioritizing, evaluating, and implementing the appropriate risk-reducing controls recommended from the risk assessment process to ensure the confidentiality, integrity and availability of ePHI. Determination of appropriate controls to reduce risk is dependent upon the risk tolerance of the organization consistent with its goals and mission.

A. Step 1. Prioritize Actions –

- i. Using results from Step 7 of the Risk Assessment, sort the threat and vulnerability pairs according to their risk-levels in descending order. This establishes a prioritized list of actions needing to be taken, with the pairs at the top of the list

getting/requiring the most immediate attention and top priority in allocating resources

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ii. Output – Actions ranked from high to low

B. Step 2. Evaluate Recommended Control Options –

i. Although possible controls for each threat and vulnerability pair are arrived at in Step 8 of the Risk Assessment, review the recommended control(s) and alternative solutions for reasonableness and appropriateness. The feasibility (e.g., compatibility, user acceptance, etc.) and effectiveness (e.g., degree of protection and level of risk mitigation) of the recommended controls should be analyzed. In the end, select a “most appropriate” control option for each threat and vulnerability pair.

ii. Output – list of feasible controls

C. Step 3. Conduct Cost-Benefit Analysis –

i. Determine the extent to which a control is cost-effective. Compare the benefit (e.g., risk reduction) of applying a control with its subsequent cost of application. Controls that are not cost-effective are also identified during this step. Analyzing each control or set of controls in this manner, and prioritizing across all controls being considered, can greatly aid in the decision-making process.

ii. Output – Documented cost- benefit analysis of either implementing or not implementing each specific control

D. Step 4. Select Control(s) –

i. Taking into account the information and results from previous steps, the Southwest Health and Human Services’ mission, and other important criteria, the Risk Management Team determines the best control(s) for reducing risks to the information systems and to the confidentiality, integrity, and availability of ePHI. These controls may consist of a mix of administrative, physical, and/or technical safeguards.

ii. Output – Selected control(s)

E. Step 5. Assign Responsibility –

i. Identify the individual(s) or team with the skills necessary to implement each of the specific controls outlined in the previous step, and assign their responsibilities. Also identify the equipment, training and other resources needed for the successful implementation of controls. Resources may include time, money, equipment, etc.

ii. Output – List of resources, responsible persons and their assignments

F. Step 6. Develop Safeguard Implementation Plan –

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- i. Develop an overall implementation or action plan and individual project plans needed to implement the safeguards and controls identified. The Implementation Plan should contain the following information:
 - a. Each risk or vulnerability/threat pair and risk level
 - b. Prioritized actions
 - c. The recommended feasible control(s) for each identified risk
 - d. Required resources for implementation of selected controls
 - e. Team member responsible for implementation of each control
 - f. Start date for implementation
 - g. Target date for completion of implementation
 - h. Maintenance requirements.
 - ii. The overall implementation plan provides a broad overview of the safeguard implementation, identifying important milestones and timeframes, resource requirements (staff and other individuals' time, budget, etc.), interrelationships between projects, and any other relevant information. Regular status reporting of the plan, along with key metrics and success indicators should be reported to the organization's executive management/leadership team (e.g. the Board, senior management, and other key stakeholders).
 - iii. Individual project plans for safeguard implementation may be developed and contain detailed steps that resources assigned carry out to meet implementation timeframes and expectations (often referred to as a work breakdown structure). Additionally, consider including items in individual project plans such as a project scope, a list deliverables, key assumptions, objectives, task completion dates and project requirements.
 - iv. Output – Safeguard Implementation Plan
- G. Step 7. Implement Selected Controls – as controls are implemented, monitor the affected system(s) to verify that the implemented controls continue to meet expectations. Elimination of all risk is not practical. Depending on individual situations, implemented controls may lower a risk level but not completely eliminate the risk.
- i. Continually and consistently communicate expectations to all Risk Management Team members, as well as senior management and other key people throughout the risk mitigation process. Identify when new risks are identified and when controls lower or offset risk rather than eliminate it.
 - ii. Additional monitoring is especially crucial during times of major environmental changes, organizational or process changes, or major facilities changes.
 - iii. If risk reduction expectations are not met, then repeat all or a part of the risk management process so that additional controls needed to lower risk to an acceptable level can be identified.
 - iv. Output – Residual Risk

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- 4. Risk Management Schedule:** The two principle components of the risk management process - risk assessment and risk mitigation - will be carried out according to the following schedule to ensure the continued adequacy and continuous improvement of Southwest Health and Human Services' information security program:
- A. **Scheduled Basis** – an overall risk assessment of Southwest Health and Human Services' information system infrastructure will be conducted annually. The assessment process should be completed in a timely fashion so that risk mitigation strategies can be determined and included in the corporate budgeting process.
 - B. **Throughout a System's Development Life Cycle** – from the time that a need for a new information system is identified through the time it is disposed of, ongoing assessments of the potential threats to a system and its vulnerabilities should be undertaken as a part of the maintenance of the system.
 - C. **As Needed** – the Security Officer or Risk Management Team may call for a full or partial risk assessment in response to changes in business strategies, information technology, information sensitivity, threats, legal liabilities, or other significant factors that affect Southwest Health and Human Services' information systems.
- 5. Process Documentation.** Maintain documentation of all risk assessment, risk management, and risk mitigation efforts for a minimum of six years.

Applicable Standards/Regulations:

- 45 CFR 164.308(a)(1)(ii)(A) – HIPAA Security Rule Risk Analysis
- 45 CFR 164.308(a)(1)(ii)(B) – HIPAA Security Rule Risk Management
- 45 CFR 164.308(a)(8) – HIPAA Security Rule Evaluation

Sources:

- NIST Risk Management Guide for Information Technology Systems, Special Publication 800-30, July 2002.
- NIST Security Self Assessment Guide for Information Technology Systems 800-26

Section 12 – Business Associate Agreements

a. To establish guidelines for Southwest Health and Human Services to identify those vendor/business relationships which meet the HIPAA definition of a “business associate” and provide direction in establishing formalized business associate agreements. Southwest Health and Human Services shall implement the required procedures and ensure documentation to establish satisfactory assurance of compliance. HIPAA requirements for business associates are addressed in the following standards:

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- 45 CFR § 164.308(b)(1) – HIPAA Security Rule Administrative Safeguards Business Associate Contracts and Other Arrangements
- 45 CFR §164.314 – HIPAA Security Rule Organizational Requirements Business Associate Contracts or Other Arrangements
- 45 CFR § 164.502(e)(1) – HIPAA Privacy Rule Uses and Disclosures of Protected Health Information: General Rules – Disclosures to Business Associates
- 45 CFR §164.504 – HIPAA Privacy Rule Uses and Disclosures: Organizational Requirements

The standards define the concept of a business associate relationship and outline the required elements to be addressed in a business associate agreement (as addressed in this policy).

Responsible for Implementation:

- Privacy & Security Officers
- Administration

Applicable To:

- All Departments/Units Involved with External Business Associates

b. Key Definitions:

Business Associate (BA): Under the HIPAA Privacy and Security Rules, a person (or entity) who is not a member of the covered entity’s workforce and who performs any function or activity involving the use or disclosure of individually identifiable health information or who provides services to a covered entity that involves the disclosure of individually identifiable health information, such as legal, accounting, consulting, data aggregation, management, accreditation, etc.

Business Associate Agreement (BAA): Under the HIPAA Privacy and Security Rules, a legally binding agreement entered into by a covered entity and business associate that establishes permitted and required uses and disclosures of protected health information (PHI), provides obligations for the business associate to safeguard the information and to report any uses or disclosures not provided for in the agreement, and requires the termination of the agreement if there is a material violation. Refer to 45 CFR § 164.502(e)(1) to determine when the standard is not applicable.

Electronic Protected Health Information (ePHI): Any individually identifiable health information protected by HIPAA that is transmitted by or stored in electronic media.

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Protected Health Information (PHI). Individually identifiable health information that is created by or received by the organization, including demographic information, that identifies an individual, or provides a reasonable basis to believe the information can be used to identify an individual, and relates to:

- Past, present or future physical or mental health or condition of an individual.
- The provision of health care to an individual.
- The past, present, or future payment for the provision of health care to an individual.

c.Procedures:

1) The organization shall determine responsible oversight for the management business associate relationships and agreements. Responsibility may be delegated to:

- a) Privacy Officer.
- b) Security Officer.
- c) Deputy Director.

2) The organization's departments/business units are responsible for facilitating the assessment of both existing and future vendor/business relationships to determine whether the relationship meets the criteria for a HIPAA business associate agreement (BAA). The following criteria define a business associate under HIPAA:

- a) The vendor/business' staff members are not members of the organization's workforce.
- b) The vendor/business' is doing something on behalf of the organization;
- c) That "something" involves the use and/or disclosure of PHI.
- d) Note that there are certain disclosures to vendors/businesses that do not require establishment of a BAA (see 45 CFR § 164.502(e)(1). These disclosures include:
 - i) Disclosures to disclosures by a covered entity to a health care provider concerning the treatment of the individual;
 - ii) Disclosures by a group health plan or a health insurance issuer or HMO with respect to a group health plan to the plan sponsor, to the extent that the requirements of § 164.504(f) apply and are met; or
 - iii) Uses or disclosures by a health plan that is a government program providing public benefits, if eligibility for, or enrollment in, the health plan is determined by an agency other than the agency administering the health plan, or if the protected

health information used to determine enrollment or eligibility in the health plan is collected by an agency other than the agency administering the health plan, and such activity is authorized by law, with respect to the collection and sharing of individually identifiable health information for the performance of such functions by the health plan and the agency other than the agency administering the health plan.

3) The organization may determine the need for BAA's through:

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- a) Mapping the flow of PHI and identifying where PHI is used or disclosed or created by external entities.
 - b) Reviewing contract management documents/software and identifying where PHI is disclosed to external entities.
 - c) Reviewing 1099 tax forms to identify vendors and then identify vendors with business arrangements where PHI is disclosed to external entities or used internally by vendor.
 - d) Assessing new vendor/business arrangements to determine if PHI will be used and/or disclosed.
- 4) When it has been determined that a BA arrangement exists, the department/business unit leader shall contact the responsible individual/team to initiate a BAA document. The department/business unit leader shall provide the following information to “customize” the BAA:
- a) The name and contact information of the BA.
 - b) A general description of the type of service being provided by the BA.
 - c) Permitted uses and disclosures as applicable to the arrangement (See 6 a).
 - d) The name of the organization’s department/business unit and leader who established the BAA.
 - e) Date of establishment of the business associate relationship and BAA.
 - f) Name/signature line for the department/business unit leader or Privacy Officer.
 - g) Name/signature line for the business associate contact.
- 5) If a vendor/business relationship requiring a BA agreement/addendum is in the process of contract negotiation and development, the provisions of the BAA may be incorporated into the contract as an option (a separate BAA would not be required).
- 6) Obligations and activities which must be addressed in the BAA document include:

Privacy Rule Provisions (45 CFR § 164.504(e)(2):

- a) Stated Purposes for Which Business Associate May Use or Disclose Protected Health Information: Business Associate is permitted to use and disclose Protected Health Information it creates or receives for or from the organization for the purposes as described in the addendum. Business Associate may also use Protected Health-

Information it creates or receives for or from the organization as minimally necessary for Business Associate’s proper management and administration or to carry out Business Associate’s legal responsibilities.

- b) Limitations on Use and Disclosure of Protected Health Information: Business Associate agrees it shall not use or disclose, and shall ensure that its directors, officers,

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employees, contractors and agents do not use or disclose Protected Health Information for any purpose other than as expressly permitted by the BA Agreement, or required by law, or in any manner that would constitute a violation of the Privacy Standards if used by the organization.

- i) The BAA may permit the business associate to use and disclose protected health information for the proper management and administration of the business associate; and
 - ii) The BAA may permit the business associate to provide data aggregation services relating to the health care operations of the covered entity.
- c) Disclosure by Others: To the extent Business Associate is authorized by this Agreement to disclose Protected Health Information to a third party, Business Associate must obtain, prior to making any such disclosure, reasonable assurances from the third party that the Protected Health Information will be held confidential as provided pursuant to the Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and an agreement from the third party to immediately notify Business Associate of any breaches of confidentiality of the Protected Health Information, to the extent it has obtained knowledge of such breach.
- d) Minimum Necessary: Business Associate shall disclose to its subcontractors, agents or other third parties, and request from the organization, only the minimum Protected Health Information necessary to performing or fulfilling a specific required or permitted function.
- e) Safeguards Against Misuse of Information: Business Associate will establish and maintain all appropriate safeguards to prevent any use or disclosure of Protected Health Information other than pursuant to the terms and conditions of the Agreement.
- f) Reporting of Disclosures of Protected Health Information: Business Associate shall, within 15 days of discovery of any use or disclosure of Protected Health Information in violation of the Agreement, report any such use or disclosure to the organization.
- g) Agreements by Third Parties: Business Associate shall enter into an agreement with any agent or subcontractor that will have access to Protected Health Information that is received from, or created or received by Business Associate on behalf of, the organization pursuant to which such agent or subcontractor agrees to be bound by the same restrictions, terms and conditions that apply to Business Associate pursuant to the Agreement with respect to Protected Health Information.
- h) Access to Information: Within 7 days of a request by the organization for access to Protected Health Information about an individual contained in a Designated Record Set, Business Associate shall make available to the organization the Protected Health

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Information it requests for so long as that information is maintained in the Designated Record Set. If any individual requests access to Protected Health Information about the individual directly from Business Associate, Business Associate shall make available and provide a right of access to the Protected Health Information to the individual, at the times and in the manner required by the Privacy Standards (see 45 C.F.R. § 164.524, or its successor as it may be amended from time to time). After receiving the request, Business Associate shall notify the organization within 7 days of such request.

- i) Availability of Protected Health Information for Amendment: Business Associate agrees to make Protected Health Information available for amendment and to incorporate any such amendments in the Protected Health Information, at the times and in the manner required by the Privacy Standards (see 45 C.F.R. § 164.526, or its successor as it may be amended from time to time).

- j) Accounting of Disclosures: Within 7 days of notice by the organization to Business Associate that it has received a request for an accounting of disclosures of Protected Health Information regarding an individual during the six years prior to the date on which the accounting was requested, Business Associate shall make available to the organization such information as is in Business Associate's possession and is required for the organization to make the accounting required by the Privacy Standards (see 45 C.F.R. § 164.528, or its successor as it may be amended from time to time). At a minimum, Business Associate shall provide the organization with the following information: the date of the disclosure; the name of the entity or person who received the Protected Health Information, and, if known, the address of such entity or person; a brief description of the Protected Health Information disclosed; and a brief statement of the purpose of the disclosure which includes an explanation of the basis for the disclosure. If the request for an accounting is delivered directly to Business Associate, Business Associate shall within 7 days forward the request to the organization. The organization is responsible for preparing and delivering the accounting requested. Business Associate agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

- k) Availability of Books and Records: Business Associate agrees to make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, the organization available to the Secretary for purposes of determining the organization's and Business Associate's compliance with the Privacy Standards.

- l) If the organization (covered entity) and the business associate are both governmental entities, additional implementation specifications must be addressed (See 45 CFR § 164.504(e)(3)).

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Security Rule Provisions (45 CFR § 164.314):

- m) Implementation of Safeguards: Business associate agrees to implementation of administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the ePHI that it creates, receives, maintains, and transmits on behalf of the organization.
- n) Agents and Subcontractors: Business associate agrees that any agent, including a subcontractor, to which the business associate provides ePHI, agrees to implement reasonable and appropriate safeguards to protect the ePHI.
- o) Security Incidents: Business associate agrees to report to the organization any security incident of which it becomes aware.
- p) Termination: Business associate agreement authorizes termination of the contract by the organization, if the organization determines that the business associate has violated a material term of the contract.

Other Provisions:

- q) The organization may want to seek legal counsel guidance prior to entering into a BAA that includes language addressing:
 - i) Insurance responsibilities.
 - ii) Indemnification requirements.
 - r) If the organization chooses to terminate the arrangement with the business associate or the business associate chooses to terminate the arrangement with the organization, the agreement must be terminated as outlined in the provisions of the business associate agreement/addendum or contract.
 - s) Upon termination or expiration of the business arrangement between the BA and the organization, the BA shall either return or destroy all PHI received from the organization or created or received by BA on behalf of the organization that the BA still maintains in any form as outlined in the provisions of the business associate agreement/addendum or contract.
- 7) The organization does not have a statutory obligation to monitor the activities of its business associates. The organization, however, must respond to reported privacy breaches and security incident events should they occur and take reasonable steps to cure any potential breach or end the violation.

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- 8) The organization may serve as a BA to another covered entity and may be asked to review and sign that covered entity's external BA agreement/addendum or contract. As a BA, the organization should:
- a) Forward the external information to the Privacy Officer²⁶ to review the submitted BA agreement to ensure that the provisions outlined are consistent with those set forth in this policy or as documented on the attached.
 - b) If the BA agreement is not consistent with this policy or contains additional provisions or provisions that are inconsistent with the privacy regulation, the Privacy Officer may recommend to the following alternatives.
 - (1) Agree to the additional provisions and sign the agreement.
 - (2) Refer the agreement to legal counsel to determine appropriateness before signing.
 - (3) Refuse to agree to the provisions and notify the covered entity to establish a resolution.
- 9) To meet the documentation requirements of the Security Rule, the responsible individual/team shall maintain a file/electronic spreadsheet business associate agreements/addendums/contracts. This file shall include the following information, and shall be available for review as needed:
- a) Date BAA need identified/received by responsible individual/team.
 - b) Name of Individual/organization which forwarded the agreement/identified need.
 - c) Name of organization for which BAA is needed.
 - d) Description of organization's operations that the BA is involved with.
 - e) Initiation date of original contract (if applicable).
 - f) Term of contract.
 - g) Date BAA signed by responsible individual.
 - h) Location of BAA.
 - i) Any additional notes.
- 10) All BAA documentation shall be maintained for a period of six years beyond the date of when the BAA relationship is terminated.
- 11) The BAA shall be effective for the length of the relationship between the BA and the organization, unless otherwise terminated under the provisions outlined in the agreement.

Section 13 – Social Media

a. The following are guidelines for Southwest Health and Human Services (SWHHS) employees who participate in social media. Social media includes personal blogs and other websites,

²⁶ The Privacy Officer may wish to involve the Security Officer, legal counsel, or other administrative leaders in this process.

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including Facebook, LinkedIn, MySpace, Twitter, YouTube or others. These guidelines apply whether employees are posting to their own sites or commenting on other sites:

1. Follow all applicable Data Privacy and HIPPA policies. For example, you must not share confidential or private information about SWHHS and you must maintain consumers and patient privacy.
2. Write in the first person. Where your connection to SWHHS is apparent, make it clear that you are speaking for yourself and not on behalf of SWHHS.
3. Ensure that your social media activity does not interfere with your work commitments.
4. SWHHS strongly discourages “friending” of consumers/patients on social media websites. Staff generally should not initiate or accept friend requests except in unusual circumstances such as the situation where an in-person friendship pre-dates the professional relationship.

Section 14 - Disclaimer

Policy Document is Copyright © by the HIPAA Collaborative of Wisconsin (“HIPAA COW”).

Forms:

- Your Privacy Rights – AG#009
- Internet E-mail Privacy Form – AG#095
- Request for Disclosure of Information – AG#115
- Master Data Practices Request Log – AG#116
- Data Practices Complaint Intake form – AG#117
- Data Practices Complaint Intake Log – AG#118
- **HIPPA Acronyms/Glossary**
- **HIPAA - HEALTH CARE INSURANCE PORTABILITY AND ACCOUNTABILITY ACT**
- **IIHI** - Individuals Identifiable Health Information
- **eIIHI – Electronic Individuals Identifiable Health Information**
- **Privacy Regulation** - policies and procedures required by HIPAA Standards for Privacy of **IIHI/eIIHI**.
- **“Need to know”** - Employees will only be given information that the employee needs to have in order to accomplish a given function and only for proper administration of an appropriate health-related program and HIPAA.
- **Section 45 CFR 164.512** – Uses and disclosures for Research purposes as contained in the final HIPAA Privacy Rules.
- **Designated Record Set** - A group of records maintained by the Agency that is: a) the medical records and billing records about individuals; b) the enrollment, payment, claims adjudication, and case management record systems maintained by the Agency; c) used, in whole or in part, by or for the Agency to make decisions about individuals.

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- **Record** - any item, collection, or grouping of information that includes protected §§§§§/e§§§§ data and is maintained, collected, used or disseminated by the Agency.
- **Business Associate of the Agency** - person or entity who is not a member of the Agency workforce and who performs a function for the Agency which requires it to use, disclose, create or receive §§§§§/e§§§§ .
- **Personal Representative** - someone who has, under applicable law, the authority to act on behalf of an individual in making decisions related to health care.

Southwest Health and Human Services

Accounting Policies and Procedures Handbook

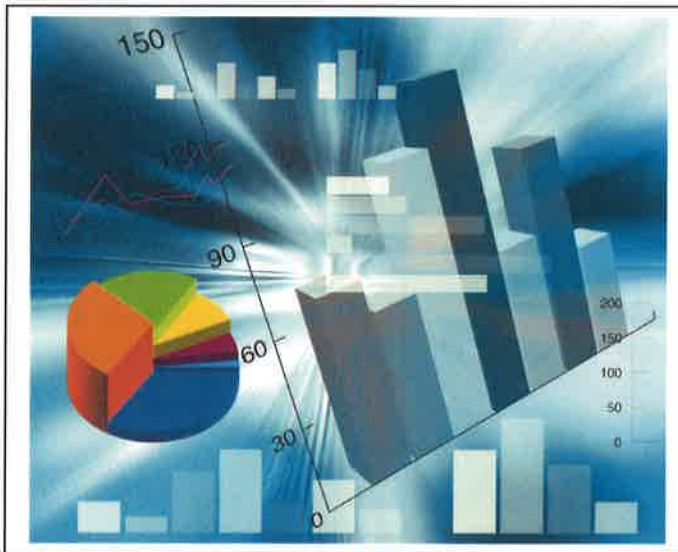


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Adopted November 16, 2011	
Revised December 19, 2012	
Revised December 18, 2013	
<u>Revised December 17, 2014</u>	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements.

Financial Reporting Entity

Southwest Health and Human Services was formed pursuant to Minn. Stat. § 393.01, subd. 7, (joint powers agreement), by Lincoln, Lyon, Murray, and Pipestone Counties. Southwest Health and Human Services began official operation on January 1, 2011, and performs Board, Welfare, and Public Health functions. Rock County joined Southwest Health and Human Services 1/1/12. Pipestone County Human Services and Redwood County Human Services and Public Health joined Southwest Health and Human Services on 1/1/13. Local financing is provided by the six member counties for Public Health and Human Services. The county contribution for financing is based on a per capita cost for public health. The county contribution for financing is based on a formula considering population, tax capacity, and three year average of SEAGR expenditures. The joint powers are governed by a Human Services Board, a Community Health Board, and a Governing Board. (See JPA for specifics).

Southwest Health and Human Services is governed by a twelve-member Board. In addition, there are two program boards Human Services and Community Health. Each Board is organized with a chair, vice chair, and secretary elected at the January meeting of each year.

Basic Financial Statements

Basic financial statements include information on the Human Services' non-fiduciary activities, Nursing Services, and information on the Special Fund of Public Health and General Fund of Human Services. These statements report general activities of the General Fund and reconcile it to "Governmental Activities". Governmental activities are reported on the full accrual, economic resources basis, which recognizes all long-term assets and receivables, as well as long term-debt and obligations. Southwest Health and Human Services net assets are reported in two: (1) invested in capital assets and (2) unrestricted net assets.

The Statement of Activities demonstrates the degree to which the direct expenses of each function of the County's governmental activities are offset by program revenues.

The Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balance for the General Fund are presented on the modified accrual basis and report current financial resources.

Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

Under the direction of the Investment Committee and the Board, most cash transactions are administered by the Lyon County Auditor/Treasurer.

Receivables and Payables

The financial statements for Southwest Health and Human Services contain no allowance for uncollectible accounts. Uncollectible amounts due for receivables are recognized as bad debts at the time information becomes available that indicates the collectability of a particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the fund.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Office furniture/equipment and automotive equipment are depreciated using the straight line method over the following estimated useful lives:

Office furniture/equipment	3 to 10 years
Automotive equipment	3 to 10 years

See the Capital Assets Narrative for detailed procedures and the Capital Assets section of Administrative Policy 2.

Compensated Absences

The liability for compensated absences reported in financial statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

See the Compensated Absences section of the GASB 34 Policies.

Deferred Revenue

All County funds and the government-wide financial statements defer revenue for resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for revenues not considered to be available to liquidate liabilities of the current period.

Long-Term Obligations

Long term liabilities are not reported in the fund. The General Fund reports only the liabilities expected to be financed with available, spendable financial resources. The statement of Net Assets reports long term liabilities of the governmental activities.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FINANCIAL REPORTING

Monthly Working Trial Balance Process

Each month the "Treasurer's Cash Trial Balance" is printed from the IFSpi system, which is compared with the "Treasurer's Cash Trial Balance" printed from the Lyon County Auditor/Treasurer's office. This is done to ensure that the balances match between entities. If there are any differences, they are investigated and corrections are made.

Year-End Working Trial Balance Process

During the year, occasionally a new account will need to be added to the IFSpi system. The County tries to follow COFARS (County Financial Accounting and Reporting Standards) with their chart of accounts. The Fiscal Supervisor II or a Fiscal Officer will check the COFARS manual to determine what the code should be. The Fiscal Supervisor II or Fiscal Officer will add accounts to IFSpi and SSIS where appropriate. The ~~agency Accounting Techs~~ uses form AG#004 to request the element and chart of accounts title when they feel the need for an additional account. The Fiscal Supervisor II will either approve or disapprove the request. ~~If approved, the Fiscal Supervisor II will sign off and approve and include the appropriate mapping information.~~ After the account is added, the Fiscal Supervisor II will review the entry and sign off a second time.

After the accounts are entered, they have to be mapped to the proper line item in the working trial balance. The Fiscal Supervisor II and Fiscal Officer work together to ensure correct mapping for all accounts are completed. All accounts are reviewed through printing of the audit list from IFSpi on an annual basis or more frequently as needed.

A report can be run that will tell if all accounts are mapped. This report is called a GASB 34 Audit List.

PUBLIC PURPOSE DOCTRINE

Public Funds

According to the interpretation and understanding of state law described as the "public purpose doctrine", public funds may be spent only if the purpose is a public one for which tax money (and all funds) may be used, there is authority to make the expenditure, and the use is genuine.

There is not a precise definition of what constitutes a "public purpose". However, the courts have interpreted it to mean "such an activity as will serve as a benefit to the community as a body and, at the same time, is directly related to the functions of government."

A declaration must be signed by vendors or other claimants, and employees and elected officials for reimbursable expenses, as included on the claim forms or on the check endorsement, which states:

On claim form:

I declare under the penalties of law that this account, claim or demand is just and correct and that no part of it has been paid.

(Signature of Claimant)

Check Endorsement:

The undersigned payee, in endorsing this warrant check declares that the same is received in payment of a just and correct claim against Southwest Health and Human Services.

County Expenditures

Commentary by State Auditor Patricia Anderson

County officers and employees often ask the State Auditor's Office whether certain expenditures are allowed by law. In order to assist you in addressing such questions, this article will present some of the basic standards to consider when you are faced with an expenditure request.

First, consider the nature of a county's authority to expend funds. As a public entity, a county must have statutory or charter authority to make an expenditure. Such authority may be either expressly enumerated in a statute or in the county's charter, or "implied as necessary in aid of those powers which have been expressly conferred." *Mangold Midwest Co. v. Village of Richfield*, 143 N.W.2d 813, 820 (Minn. 1966). This is a county's main limitation in spending money. Counties can always ask for more authority from the legislature.

Second, make sure each expenditure is for a public purpose. The public purpose requirement originates in the Minnesota Constitution, which states that "taxes.....shall be levied and collected for public purposes." The Minnesota Supreme Court has explained that "public purpose" generally means "such an activity as will serve as a benefit to the community as a body and which, at the same time, is directly related to the functions of government" *Visina v. Freeman*, 89 N.W.2d 635 (1958). It has also stated that public funds may be used by a public entity if the purpose is a public one for which tax money may be used, there is authority to make the expenditure, and the use is genuine. *Tousley v. Leach*, 180 Minn. 293, 230 N.W. 788 (1930). Generally, the main point is that a county's expenditure must ultimately benefit the county's citizens as a whole, although various citizens may benefit more or less directly.

Many of the specific questions we receive involve requests for donations by individuals, non-profit entities, charities, etc. Such donations are not permitted unless they are based on express statutory authority. The assumption is that a gift of public funds to an individual or private entity necessarily serves a private, rather than a public purpose. Attorney General opinions have stated that public entities have no authority to donate funds, even to groups like 4-H clubs, the Red Cross and the Boy Scouts. If a group is going to perform a function that the county has authority to perform, the county should set out the arrangement in a properly executed contract.

Counties, unlike private employers, must remember that public funds cannot be given away to public employees or officials as gifts. Public funds should not be used to purchase plants, flowers, birthday cakes, etc. for officers, employees or others. Likewise, unless express authority provides otherwise, employee social functions may not be paid for with public funds. Of course employees can informally pool their own money to purchase such things for each other. The Attorney General has

stated that municipal corporations may not imply authority to appropriate public revenue for celebrations, entertainments, etc., or fund a Christmas party for employees. However, counties are expressly authorized to establish and expend funds for preventive health and employee recognition services. M.S. § 15.46 (2002).

The State Auditor's Office hopes that the information in this article helps you as you make decisions regarding county expenditures. If you have questions, feel free to contact the State Auditor's Legal Division at (651) 296-2551.

PAYMENT OF CLAIMS AND OTHER OBLIGATIONS

Purchasing

The purchasing process for SWHHS starts in each individual department. The department will decide they have a need for an item. An order will be placed with the respective vendor normally by the departmental supervisor, Office Services Supervisor, Public Health Division Director, Social Services Division Director, or the Deputy Director. The Director is also advised and will verbally approve the proposed expense. The agency will receive the items ordered along with an invoice. If all of the items were received in satisfactory condition, the department head/supervisor will sign off on the original invoice to approve the transaction for payment. The original invoice will then be sent over to the accounting department for payment. Invoices including the vendor's name and address are required. Each department will receive a budget to actual report monthly. If requested, an account activity report will be provided that will show each transaction that went through the system for that year for each department.

According to Agency policy, the Director has the authority to approve purchases up to \$5,000 without Board approval. Departmental supervisors are allowed to approve program (service related) expenditures relative to the program they supervise. Service related expenditures require a service arrangement and are normally non-discretionary. Departmental supervisors can approve purchases for their department up to \$1,000. In regard to expenditures under \$5,000 the public purpose doctrine and the budget are both considerations when authorizing expenses. For equipment valued over \$50,000, sealed bids are solicited by advertising for two weeks in the qualified newspaper of each county.

County Disbursement Process

Claims for payment are entered into the IFSpi System with the assigned budget line item code. The warrant register is reviewed and signed off by the Director, Deputy Director, Social Services Division Director, or Public Health Division Director. Warrants are processed weekly and are approved at the board meetings. The Board reviews all transactions issued from the previous Board meeting through the current Board meeting monthly.

Accounts Payable

Payables are only recorded at year end. Invoices paid in January and February are reviewed and coded with an accrual code of AP (Accounts Payable) or DTG (Due to other Governments) in IFSpi indicating the transaction as a payable. It is the Accounting Technician's responsibility to flag payables. The Fiscal Supervisor II reviews all payables.

Archival Policy

Original claims with invoices, receipts, and other attachments are kept according to the General Record Retention Schedule. SWHHS keeps current year plus 6 audited years in storage.

W-9 Forms Required

A W-9 form is required to be completed by each new vendor whose payment qualifies for a 1099, where the Tax ID number or Social Security Number is required. See example W-9 form located on the IRS website.

Replacement of Lost, Stolen or Destroyed Checks

If a request is received for replacement of a lost, stolen or destroyed check, the payee or vendor must complete and sign the "Lost/Stolen Warrant Affidavit" form. The signature must be notarized. If the check may have been stolen, a stop payment is put on as soon as possible and the payee is advised to file a police report. Otherwise, there is a 10 calendar day required waiting period. The on-line banking system is checked for verification that the original check has not been cashed. A replacement check is then issued. If the check is a minimal amount in relation to the stop payment charge, a stop payment may not be requested. The Deputy Director makes this decision.

Unclaimed Warrants / Funds

Routinely, the Lyon County Auditor/Treasurer's office will advise SWHHS of the payees for vendors for outstanding checks that have not been cashed within a minimum of 6 months from the date of issuance. The "Lost/Stolen Warrant Affidavit" form is sent out to all vendors that the warrant is over 60 days old, this form is required to be completed, signed and notarized before a replacement check will be issued. Numerous notices are sent and after 6 months with no reply, the Lyon County Auditor/Treasurer cancels the warrant through Board action. Funds are then transferred to the MN Dept. of Commerce, Unclaimed Property Program each October and funds are held there until they are claimed.

GASB 34 Related Policies

The following policies are presented and adopted in response to the accounting and reporting requirements of the Governmental Accounting Standards Board (GASB) Pronouncement 34 and later pronouncements. These policies provide the foundation for the collection and reporting of County financial information in accordance with these pronouncements.

“Fund Statements” refers to the individual fund year-end financial statements. These are essentially the same as previously published statements.

“Government Wide Statements” refers to the new Statement of Net Assets, Statement of Activities, and the reconciliation required under GASB 34 reporting standards.

Capital Assets Policy

Capital assets are part of the governmental activities column on the Statement of Net Assets in the Government Wide Statements. Depreciation is required to be recorded as an expense at the government-wide level in the Statement of Activities.

1. **Threshold** — The lower value threshold for the collection and reporting of Capital Assets for Government Wide reporting purposes will be \$1,5005,000 dollars. Assets acquired of lesser value \$200 to \$1,4994,999 dollars will be recorded and inventoried for control purposes, but will not be included in financial statement reporting.
2. **Category of Asset** — The two categories of Capital Assets the Agency reports under are **office furniture/equipment, data processing equipment and automobiles.**
3. **Depreciation** — Will begin the first day of the month of purchase and will be calculated using the Straight Line Method, which allocates the cost evenly over the life of the asset. Any depreciation expense not recognized prior to disposal of the asset will be recognized at disposal. The appropriate amount gain is also recognized on disposal
4. **Estimated Useful Life** — An accounting estimate of the time period (number of months or years) that an asset will be able to be used for the purpose for which it was purchased. The useful life time periods the Agency will be using for **office furniture/equipment, data processing equipment and automobiles will be from 3 to 10 years.**

Budget Adoption Process

The SWHHS Budget is adopted annually by the SWHHS Governing Board. The contribution by counties is determined at the August Board meeting and the final budget is approved at the December Board meeting.

The Agency Budget is adopted annually by the Southwest Health and Human Services Agency Board and provides the authorization for program expenditures. Once the Budget has been adopted by the Agency Board; any changes and adjustments are made to the annual Revised Budget, leaving the Adopted Budget in its original approved form. Budget control and monitoring is designated at the Departmental and Administrative Level.

See SWHHS Budget Narrative.

Budget Level for Legal Control

Budget control is designated at the department level and administrative level. The use of budget dollars across line items within a department are at the discretion of the department

management/administration, as long as federal, state, or other funding source use and reporting requirements are met.

Policy to Determine the Current Portion of Compensated Absences

1. Medical Leave — Under the Agency’s personnel policy #0003, agency employees shall earn paid medical leave at the end of each bi-weekly payroll period, at the rate of 3.7 hours. Vested medical leave is paid to or for employees upon termination or death, only if the employee is a member of the public health bargaining unit. The Vesting Method will be used for calculating and reporting the full accrual liability for vested medical leave. Medical leave is booked and reported as due within one year using a 5 year trend analysis. The 5 year trend analysis was implemented for the year ending 12/31/2011. This 5 year trend will be updated every year on an ongoing basis. Until the 5 year trend analysis is established, SWHHS will use the current number of years booked. It is anticipated that at year end 2015, SWHHS will have a true 5 year trend analysis. The percentage calculated in the trend analysis is used to book and report the current portion of unused sick leave. The balance remaining is booked and reported as due within more than one year. Vested medical leave and all other compensated absences with the similar characteristics are accrued as a liability based on the above calculations at the date of the financial statement.

2. All Other Accumulative Leaves — Vacation leave, and other compensated absences with similar characteristics, are calculated and reported as due within one year using the same 5 year trend analysis as vested sick leave. The balance remaining is booked and reported as due within more than one year.

Use of Restricted Assets Policy

Undesignated resources will only be used to pay designated liabilities after appropriate designated resources have been depleted, or the SWHHS Governing Board takes specific action to appropriate those undesignated resources.

Policy for Identifying Special or Extraordinary Items

Items reported as Extraordinary Items are transactions that are both unusual in nature and infrequent in occurrence and are the result of events that may be beyond the control of SWHHS management.

Special Items are either unusual in nature or infrequent in occurrence and are under the control of SWHHS management.

Revenue Recognition in Governmental Fund Statements

Governmental Fund Statements, including the General Fund, are presented using modified accrual accounting. In order for a receivable to be recognized as a revenue within these statements, it must be considered available. The county considers a revenue available if it is collectable within 60 days of the date of the financial statement.

Investment Policy

It is the intent of this policy to define and standardize procedures to be used in the investment of Southwest Health and Human Services funds. This policy shall apply to all financial assets of the agency. Any new funds created by the Southwest Health and Human Services Joint Governing Board shall be bound by this policy unless specifically exempted by the Southwest Health and Human Services Joint Governing Board through resolution. These funds are accounted for in the agency's annual financial report and include General Revenue Funds.

INVESTMENT OBJECTIVES

The primary objectives of the Southwest Health and Human Services, in priority order, of investment activities shall be safety, liquidity and yield.

A. Safety of Principal

The foremost objective of this investment policy is to ensure the safety of the principal of public funds. Investment transactions shall be undertaken in a manner to ensure the preservation of capital in the overall portfolio. This objective also includes minimizing credit and interest rate risk.

1. Custodial Credit Risk

Southwest Health and Human Services will minimize deposit Custodial Credit risk, which is the risk of loss of failure of the depository bank, by obtaining collateral or bond for all uninsured amounts on deposit, and obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

The Southwest Health and Human Services will minimize investment Custodial Credit Risk by permitting brokers that obtained investments for the Southwest Health and Human Services to hold them only to the extent there is SIPC and excess SIPC coverage available. Securities purchased that exceed available SIPC coverage's shall be transferred to the Southwest Health and Human Services' custodian.

2. Concentration Credit Risk

The Southwest Health and Human Services will minimize Concentration of Credit Risk, which is the risk of loss attributed to the magnitude of the Southwest Health and Human Services' investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. This will be based on the applicable opinion units.

3. Interest Rate Risk

The Southwest Health and Human Services will minimize Interest Rate Risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by: 1) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and 2) investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Southwest Health and Human Services' cash requirements.

4. Foreign Currency Risk

The Southwest Health and Human Services is not authorized to invest in investments which have this type of risk.

B. Maintenance of Liquidity

Southwest Health and Human Services funds shall be managed such that they are available to meet reasonably anticipated cash flow requirements.

C. Yield/Return on Investment

The Southwest Health and Human Services investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the applicable investment risk constraints and liquidity needs. It is understood that return on investments is of secondary importance when compared to the safety of liquidity objectives described above.

Ethics and Conflicts of Interest

All officials and employees that are part of the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair one's ability to make impartial investment decisions. Also, the County Auditor/Treasurer shall disclose to the Board any material financial interests in financial institutions that conduct business with Southwest Health and Human Services or the County, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the Southwest Health and Human Services' investment program.

Standards of Prudence

The standard of prudence to be used by the County Auditor/Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. The Prudent Person standard states:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investments.”

Delegation of Authority and Internal Controls

Responsibility for the operation of the investment program shall be the responsibility of the Deputy Director, by the establishment of this policy shall determine standards and procedures for the operation of the investment program. For the purposes of investments the Deputy Director will confer with the Agency Director, Board Chair, Board Vice-Chair, and Board Secretary; these five shall constitute an informal investment committee that will meet to discuss investment strategy and decisions as needed. However, for practical application Southwest Health and Human Services the Lyon County Auditor/Treasurer shall only make investment transactions at the direction of the Deputy Director or Agency Director.

When investment transactions occur, the Deputy Director shall provide the Lyon County Auditor/Treasurer (and vice versa) with all of the data necessary to update the county’s financial system.

Certificates of deposit will be stored in the Lyon County vault until maturity and will be available for inspection during regular business hours. Such certificates will also be subject to verification by the issuing bank at any time.

Reporting

The Deputy Director shall provide a written investment report to the Southwest Health and Human Services Governing Board at least quarterly. This report shall contain the following information:

1. Size of investment portfolio, showing fund breakdown.
2. Comparisons from previous reporting periods.
3. Indications of current rates of return and maturities.
4. Concerns for future investment transactions or cash management transactions.

In addition, the Lyon County Auditor/Treasurer may be asked to present information and/or reports to Southwest Health and Human Services Governing Board upon request.

Authorized Investment Institutions and Dealers

Each depository used by the Southwest Health and Human Services must be one of the following

- A. a savings association;
- B. a commercial bank;
- C. a trust company;
- D. a credit union;
- E. an industrial loan and thrift company

Southwest Health and Human Services funds will be invested in instruments which meet at least one of the following criteria:

- A. In governmental bonds, notes, bills, mortgages, and other securities, which were direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress.
- B. In a general obligations of a state or local government with taxing powers which is rated "A" or better by a national bond rating service.
- C. In a revenue obligation of a state or local government with taxing powers which is rated "AA" or better by a national bond rating service.
- D. In a general obligations of the Minnesota Housing Finance Agency which was a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating service.
- E. In commercial paper issued by a United States corporation or its Canadian subsidiary and that:
 - 1. Is rated in the highest quality category by at least two Nationally recognized rating agencies, and
 - 2. Matures in 270 days or less.
- F. In time deposits fully insured by the Federal Deposit Insurance Corporation.
- G. In bankers' acceptances issued by United States banks.
- H. In its own temporary obligations issued under Minnesota Statute 429.091, subd. 7 (special assessments), 469.178, subd. 5 (tax increment bonds) or 475.61, subd. 6.
- I. Other investment instruments as allowed by Minnesota statutes (e.g. repurchase agreements, reverse repurchase agreements, mutual funds, and units of a short-term investment fund).

All brokers, dealers and other financial institutions approved by the Southwest Health and Human Services shall be provided with current copies of this investment policy and shall provide in return to the Southwest Health and Human Services, certifications of having read, understood and agreement to comply with this investment policy.

Competitive Selection of Investment Instruments

The County Auditor/Treasurer shall obtain bids from at least two (2) brokers or financial institutions on all purchases of investment instruments. When selecting the financial institutions the Auditor/Treasurer shall consider the credit worthiness, experience, and past performance of the institution. Overnight sweep investments instruments shall not be subject to this section.

Authorized Investments and Portfolio Composition

Investments and Depositories are restricted to those complying with the applicable sections of Minnesota Statutes 118A. Listed below are some specific examples:

- A. United States Government Securities
- B. United States Government Agencies
- C. Federal Instrumentalities (United States Government-Sponsored Enterprises)
- D. Certificates of Deposit
- E. Repurchase Agreements
- F. Commercial Paper
- G. Bankers' Acceptances
- H. Registered Investment Companies (Money Market Mutual Funds)
- I. MAGIC Fund
- J. Certain Mutual Funds

ELECTRONIC FUNDS TRANSFER POLICY

STATUTORY AUTHORITY

Minnesota Statute 385.071 states "...the county board shall establish policies and procedures for investment and expenditure transactions via electronic funds transfer."

PURPOSE

To ensure the safety of county funds through controlling the electronic flow of these funds.

POLICIES AND PROCEDURES

The SWHHS Board of Commissioners delegates the authority to make electronic fund transfers to the Lyon County Auditor/Treasurer as SWHHS's fiscal agent.

REVENUES

According to M.S. §385.05 Receipt and Payment of Money, "The county treasurer shall receive all money directed by law to be paid to the treasurer and pay them out only on the order of the proper authority."

The Lyon County Auditor/Treasurer is the custodian of all receipts and revenue. SWHHS prepares all receipts. Actual income should be credited to budgeted revenue line items. Accounts and budget line items are setup according to COFARS (State Auditor "County Financial Accounting and Reporting Standards") requirements and GASB34 Reporting. See the COFARS manual for a more detailed explanation.

Reimbursements for some current year expenses should be credited to an expenditure line item in a budget. If the reimbursement is received in a new fiscal year, it may have to be credited to an income line item instead. There may be exceptions according to State rules and regulations.

For general receipting and recording procedures, see the ~~Cash Receipts~~ General Receipting and Recording Procedures Narrative.

Classification of Program Revenues

Program revenues are revenues that apply directly to a program from revenue sources, not including tax collections. Program revenues include charges for services applicable to the program, specific grants and contributions to the program, and earnings of endowments or investments specifically restricted to that program. Those revenues not designated by rule, statute, or policy to a program, are considered General Revenues to SWHHS.

Revenue Recognition in Governmental Fund Statements

Governmental Fund Statements, including the General Fund, are presented using modified accrual accounting. In order for a receivable to be recognized as a revenue within these statements, it must be considered available. SWHHS considers a revenue available if it is collectable within 60 days of the date of the financial statement.

Other Acquisitions

Donations of property and goods to SWHHS must first be approved by the SWHHS Governing Board as per the MN Statue 465.03. "Any city, county, school district or town may accept a grant or devise of real or personal property and maintain such property for the benefit of its citizens in accordance with the terms prescribed by the donor. Nothing herein shall authorize such acceptance or use for religious or sectarian purposes. Every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full."

Accounts Receivable

Billing customers for services provided is performed by the accounting or collections department depending on the service. Second notices or reminders are sent if payments are not received within a reasonable period.

During January and February of the New Year, any payments received for those outstanding invoices must be marked as Accounts Receivable.

Receivables are set up for year-end accrual entries. Receivables are set up just like regular cash receipts, but with an added step.

Receipts received in January and February for the prior year are coded in IFSpi with an accrual code of AR (Accounts Receivable) or DFG (Due from other Governments) in IFSpi indicating the transaction as a receivable. It is the Accounting Technicians' responsibility to flag receivables. The Fiscal Supervisor II reviews all receivables.

See the Receivables Narrative for more detailed procedures.

Grants Accounting

All grant applications must be approved by the SWHHS Governing Board. Accounts are setup using COFARS for the correct Local, State or Federal grant category for income and expenses. The necessary information needed for financial reporting is included.

NSF Checks

The banks automatically return NSF checks to the County after they have been put through twice. The Lyon County Auditor/Treasurer normally advises SWHHS as they manage the checkbook. Once notified, SWHHS will contact the payer directly to make the check good.

TRAVEL AND MEAL POLICY

--- MILEAGE AND PER DIEM EXPENSE ---

This policy shall be for employees incurring work related expenses. Meals within the six county area covered by SWHHS do not qualify as a reimbursable expense.

Travel: When there are no agency cars available for use, the agency will pay the current IRS rate for mileage. The rate of reimbursement, when an agency car is available, when using your personal car, will be the operational cost of SWHHS vehicles (calculated annually).

Meals: Meal expenditures are eligible for reimbursement when the situation meets public purpose criteria. Employees are encouraged to consider whether the same result can be obtained without the expenditure. Employees are not eligible to claim meals for agency business or training within counties covered by SWHHS.

The maximum reimbursement for meals will be \$30.00 per day, if eligible for a full day's meals. You must have itemized receipts which identify the establishment for all meals. If you are eligible for more than one meal during a day, you can claim reimbursement up to the maximum of the combination of eligible meals. Example: You are eligible for breakfast and lunch. You paid \$5.00 for breakfast and \$10.00 for lunch. You will be reimbursed the \$15.00 with proper receipts. Alcoholic beverages are not reimbursable.

If eligible for less than 3 meals, the maximum per meal (or a combination of meals) is as follows:

Breakfast = \$ 7.00
Lunch = 9.00
Dinner = 14.00

If you are eligible for an evening meal the first night of an overnight and eligible for breakfast and lunch the following day, the maximum reimbursement would be \$14.00 the first day and \$16.00 the second day. If the hotel provides complimentary breakfast, you will not be reimbursed for breakfast expense. You cannot combine the two days for reimbursement of meals.

Regulations require that meal reimbursement, without overnight lodging, be included as income and is subject to income tax withholding and FICA deduction. If meals are included as part of a conference or registration fee and are not separately identified, they are not treated as taxable income.

When claiming reimbursement for meals, claim form AG#100 must be completed for meals that are not connected with an overnight or conference. Claim form AG#101 must be completed for meals that are connected with an overnight. Include lodging costs, travel, etc., on this claim form. It is the employee's and supervisor's responsibility to identify and separate the two types of meals for reimbursement.

Tips: Tips are not reimbursable unless the gratuity is required by the restaurant.

Lodging: Requests for overnight lodging will be reviewed and approved in advance on a case by case basis based on public purpose criteria. Reimbursement will be the normal single rate with an itemized receipt. If the room is direct billed, attach a copy of the bill to your claim form.

Other Expenses: All expenses written on claim forms must have itemized receipts attached to the claim form except for mileage. No items other than the room charge, tax, and parking will be allowed on a direct billing to the agency from the hotel. Any phone calls or meals that you may have charged to your room must be paid by you when you check out.

Note: Credit card receipts document only the method of payment. Itemized receipts are required in order to detail each expenditure.

If an itemized receipt is lost or is unattainable, the Declaration Form may be completed. The Declaration Form can be obtained from the Deputy Director.

Reimbursement for State reimbursable expenses will be at rates specified in this policy. We will follow agency, not state, policy.

All claim forms must be signed and indicate expense date, purpose, location, number of miles, and dollar amount claimed.

**CLAIM FORM MUST BE SUBMITTED AND SIGNED BY YOUR SUPERVISOR FOR APPROVAL.
PLEASE DO NOT USE WHITE-OUT.**

If reimbursement is made after 60 days of original receipts, all reimbursable expenses become taxable, per IRS Regulations.

FRAUD POLICY

In broad terms, fraud refers generally to any intentional act committed to secure an unfair or unlawful gain. For the purposes of Southwest Health and Services' Fraud Policy, it is defined as an intentional act to deprive Southwest Health and Human Services, or any individual or entity related to Southwest Health and Human Services' business, of something of value, or to gain an unfair advantage through the use of deception, false suggestions, suppression of the truth, or some other unfair means, which are believed and relied upon.

All employees of Southwest Health and Human Services who have a reasonable basis for believing fraud or other wrongful acts have occurred have a responsibility to report such incidents to their immediate supervisor. If notifying the supervisor is not possible because of absence or because you believe your supervisor may be involved, you should notify the Director. All supervisory personnel informed of suspected fraud or other wrongful acts must immediately notify the Director. All information will be treated confidentially.

Minnesota Statute 609.456 Subd. 1, requires any employee or official, upon discovery of evidence of theft, embezzlement or unlawful use of public funds, to report it to law enforcement and in writing to the State Auditor a detailed description of the alleged incident or incidents.

MONTH END ACCOUNTING AND REPORTING

After all receipts and checks have been processed in the IFSpi System, the Treasurer's Cash Trial Balance is prepared and Funds are balanced. Monthly department budget reports are then printed and forwarded to Department Heads. This work is completed no later than the ~~fifth~~tenth day of each month, however, there may be extenuating circumstances which may cause a delay.

Southwest Health and Human Services has adopted Integrated Financial System pi (IFS) as our general ledger package.

CONFLICT OF INTEREST

Board members and administration/supervision have an obligation to act in the best interests of SWHHS. Outside financial interests and/or legal commitments should not be permitted to create conflicts of interest that interfere with the performance of such duties. A conflict of interest exists when a Board member or administration/supervision has an external financial interest or other legal obligation that reasonably could be seen as creating an incentive for the individual to modify the conduct of his or her duties or to influence the conduct of others.

Conflicts of interest can arise from stock ownership, board memberships, consulting relationships, and any activity from which an individual derives legal obligations or expects to receive remuneration from an entity outside of SWHHS. Conflicts can arise from many ordinary and appropriate activities; the existence of a conflict does not imply wrong doing on anyone's part.

When a conflict arises the individual must recognize and disclose it. Some relations may create an appearance of conflict; which shall also be disclosed so public confidence is maintained.

A Conflict of Interest Disclosure Questionnaire will be filed annually, by each Board member, Administrator, and Supervisor of SWHHS.

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General Agency Information

The agency is separated into the following units/programs: Social Services; Income Maintenance; Child Support/Fraud; Accounting/Collections; Clerical; Information Technology; Nursing; Health Education, and Environmental Health. The agency keeps staff well informed and has a system in place to communicate all information. The Director, Deputy Director, Public Health Division Director, and Social Services Division Director meet bi-weekly to discuss overall agency business and future topics for the supervisors meeting. The Director, the Deputy Director, Public Health Division Director, and Social Services Division Director meet bi-weekly with the supervisors. Each unit supervisor holds meetings with their staff, but the frequency of those meetings are set by the unit supervisor and determined by need.

The Minnesota Department of Human Services (DHS) sends bulletins and other publications to the Deputy Director. Most of these are sent electronically and are available through the Department of Human Service's website. Bulletins are discussed at the bi-weekly supervisor meetings. Supervisors forward bulletins to staff and they are also discussed at individual unit meetings. Also, there are state-wide conferences that staff members have the opportunity to attend.

Budget Process

The budget process for the year begins with submission from department heads to the Director usually by the end of May. IFS budget sheets with figures for the last 2 years, plus current based on revenue and expenditure accounts and the Allocation Bulletin are used to determine amounts for the proposed budget. Beginning in January and until the August Board meeting, the Director, Deputy Director, Public Health Division Director, Social Services Division Director, and the Supervisors analyze and prepare the proposed budget. During the August board meeting, the Board is presented with a proposed budget. The Board will normally approve the preliminary levy amounts in the budget at the August board meeting. In turn, this information is passed on to the respective County Boards for approval by mid-September. The process is completed within this timeframe to ensure the tax levy will be on the tax rolls for the proper year. The final budget is approved at the December Board. Once approved by the Board, the Fiscal Supervisor II approves the budget in IFSpi on the first working day in January, activating it to the working budget for the year.

Expenditure budgets are based on actual projected costs of operations. Inflating projected expenditures to provide a cushion for expenditures that may occur is strongly discouraged. Southwest Health and Human Services continually works to reduce expenditures and increase revenues during the year.

There have not been budget amendments in the past. Any overages in budget have been absorbed through the use of reserves.

Entering the Budget into IFSpi

The Fiscal Supervisor II enters the proposed and approved budget into SWHHS's system, Integrated Financial System (IFSpi). The department supervisors, Deputy Director, Public Health Division Director, Social Services Division Director and the Director review the information entered. Only the Fiscal Supervisor II or Fiscal Officer has security to update the budgetary information.

Budget Monitoring

The Director, Deputy Director, Public Health Division Director, Social Services Division Director and Fiscal Supervisor II regularly compare budget to expense and revenue throughout the year. In addition, all Department Supervisors review their related program expenditures on a monthly basis. The Board is given monthly updates.

Capital Assets

Additions to capital assets are normally initiated by the department heads involved and authorized by the Director. Equipment valued at \$5,000 or more requires Board approval. For equipment valued over \$50,000, sealed bids are solicited by advertising for two weeks in the qualified newspaper for the agency. It is the primary responsibility of the Fiscal Supervisor II to document depreciation of capital assets.

Additions are supported with the vendor invoice, purchase order, and payment in IFSpi. The Fiscal Supervisor II keeps a spreadsheet updated with additions and removals of capital assets \$1,5005,000 or greater. Funds are listed separately for Human Services and Health Services. This is updated normally when the change happens and at the end of the year. The Office Services Supervisor enters into the AS400 all items \$200 or greater and these are tagged. Information added to this system includes the tag#, department, county #, worker #, description, serial #, and brand/model. Month/year acquired, estimated life, original cost (including tax), and purchase order #. Retirements are documented on both the spreadsheet and the AS400.

Once a Capital Asset is purchased, the Accounting Technician who pays the bill, gives a copy of the bill and print voucher to the Fiscal Supervisor II, who adds it to the Capital Asset report. The Fiscal Supervisor II contacts the Office Support Supervisor for item number and the Deputy Director for years of depreciation for automobile purchase; or IT Supervisor for item number and years of depreciation for equipment purchase.

Contracts with Providers

Our in-house contracts with providers are open ended with standard opt out language. Changes to the contracts are made through addendums or amendments. As of 1/2011, we are using the model contracts for CAC, CADI, MRRC, and TBI. Model contracts for these programs are 4 year contracts. EW and AC programs utilize our in-house contract that is renewed yearly. Rates for all the above programs are set by the State.

All contracts include HIPPA, EEOC, Fair hearing/grievance, and safeguard of data language. Liability limits for general and professional liability insurance policy are set as per Minn. Stat. 466.04.

Contracts for Administrative Overhead

Equipment valued at \$5,000 or more requires Governing Board approval. When purchasing vehicles, a request for quotes are sent to the dealerships within the six county area. The Deputy Director views each vehicle for its quality, appearance, and condition. The board reviews all the quotes. If they do not take the lowest quote, they will state in the Governing Board minutes their reason. For equipment valued over \$50,000, sealed bids are solicited by advertising for two weeks in the qualified newspaper for the agency. If a contract is required the Director signs off on that contract. The Director has authorized the Deputy Director to sign off on the contract with the cellular phone carrier.

Monthly Working Trial Balance Process

On a rotating basis each month, ~~an employee of the accounting department~~ the Fiscal Supervisor II or Fiscal Officer prints a "Treasurer's Cash Trial Balance" from the IFSpi system. This report is compared to the check registers to ensure receipts and disbursements balance for the month. If there are any differences, they are investigated and corrections are made.

The Governing Board is given a copy of the "Treasurer's Cash Trial Balance", "Trial Balance Sheet", and check register monthly. SWHHS balances this amount with the Lyon County Auditor/Treasurer's office. If there is a discrepancy, both offices work together to balance. In addition, the Governing Board is given the IFSpi report "statement of Revenues and Expenditures". This way the Governing Board is seeing figures directly from IFSpi and is directly approving the financial report.

Chart of Accounts

Occasionally during the year, a new chart of account that will need to be added to the IFSpi system. When an account is added, the Fiscal Supervisor II or a Fiscal Officer will check the COFARS manual to determine what the code should be and then will check the chart of accounts to make sure that number is available. The ~~assigned~~ Fiscal Supervisor II or Fiscal Officer will add accounts to IFSpi and SSIS where appropriate.

After the accounts are entered, they have to be mapped to the proper line item in the working trial balance. The Fiscal Supervisor II and Fiscal Officer work together to ensure correct mapping for all accounts are completed. All accounts are reviewed through printing of the audit list from IFSpi on an annual basis or more frequently as needed.

Payroll

The SWHHS Governing Board approves all starting rates of pay for all new employees. Southwest Health and Human Services payroll processing is performed at different levels. Upon Board approval, the Accounting Technician enters the employee information including rate of pay in each employee's master file. For each new employee, the Accounting Technician enters the information provided by the employee and employee's supervisor which determines the taxes to be withheld, his/her position, work comp code, PERA eligibility, and appropriate department based on the information on the Payroll Enrollment Form and Cafeteria Enrollment Form. The Accounting Technician provides the IFSpi formula distribution when applicable for new staff (health services employees formula distribution is determined through an interface process), under the direction of the Deputy Director. This formula is used to interface the payroll PayLib system to the IFSpi System when the payroll is processed at the end of each pay period. The Office Services Supervisor prepares a ~~monthly spreadsheet report~~ containing ~~the merit increases any payroll changes~~ and it is reviewed and entered into the payroll system by the Accounting Technician ~~on the next payroll run after the board has approved the increases~~. Any payroll changes must be into payroll by Monday noon the week of payroll.

Payroll deductions for insurances are entered directly from a copy of the employee's Cafeteria Enrollment Form completed before the beginning of each year or as new employees become eligible. These forms are generated from a web-based human resource program with employee personnel insurance information listed on it.

Before a payroll is run, the Deputy Director and the Accounting Technician review and make necessary adjustments to the billings from the providers of insurance for health care, dental, life and disability. Note adjustments for medical/dental insurance cannot be made on the bill. They normally occur after the fact as an adjustment on a later bill. Real time adjustments can be made on the life insurance bill. Other deductions (such as garnishments and child support) are processed by the Accounting Technician from official orders. The Deputy Director is the agency representative served those orders normally via US postal mail.

All employees are paid bi-weekly. The Southwest Health and Human Services Governing Board members are paid bi-weekly following the receipt of their voucher. The Governing Board Per Diem pay is paid through payroll. All Governing Board mileage and other costs are paid through the administrative bill process.

At the end of each pay period, web based timesheets are created by each human services employee, by signing into the new web based timesheet program created by Computer Professionals Unlimited. The web based timesheets for all health services employees are created by an interface program pulling the data from Nightingale Notes Dailies into the web based timesheets. The interfacing program was created by Computer Professionals Unlimited. The web based timesheet is accessed by the employee signing in by using their unique ID and password. This web based timesheet is approved by the employee and also by the employee's supervisor. Payroll Disclaimers appear on the screen when being approved. Any errors that are found are

relayed back to the employee by the supervisor. The Office Services Supervisor audits all Vacation, Sick, and Comp Time Balances. The Balances are shown on the Employee's pay stub.

Any overtime pay is prior authorized and requires supervisory and Director approval. Any concerns regarding payroll are referred to the Deputy Director and/or Director.

At the end of the year, a report is generated that lists year-end balances in vacation, sick, and comp time banks and year-end rates of pay, which are used in calculating Compensated Absences Liability. The Accounting Technician maintains a spreadsheet that calculates the compensated time absence liability based on the total accrued time to date and what has been paid out over the past few years.

A transaction edit is run on the computer in batches, which is then compared to the time sheets prepared by each employee. If incorrect, the errors are located and reconciled. The Office Services Supervisor performs these tasks.

After the transaction edit has been deemed correct, the Accounting Technician runs the payroll journal and then another Accounting Technician checks it for errors. (This register does not have any warrant numbers yet.) It also includes taxes, cafeteria contributions and recurring deductions, which are reconciled.

If no errors are located on the payroll journal, the Accounting Technician runs the check process which produces the files that print employee direct deposit stubs and vendor checks using direct deposit or electronic funds transfer (EFT). An EFT edit is printed and checked against the payroll journal and also against any new participant's authorization forms. If correct, the file is transferred to The Bremer Bank via internet file transfer.

An Accounting Technician prints the checks, direct deposit stubs, and two copies of the final payroll journal and all necessary reports. A copy is kept in the Marshall office accounting department. This final journal prints the check number and direct deposit number by each employee's net pay. The check stock is always locked in the Marshall accounting department.

SWHHS uses a service from Computer Professionals Unlimited, the office that provides support for the Payroll Paylib system, for accessing their Payroll Pay stubs (web based timesheets) instead of the Accounting Technician printing individual pay stubs and sending them directly to the employee. The Accounting Technician still prints out vendor checks and commissioner's checks when necessary. For any employees who are on extended leaves, their direct deposit stub is printed and mailed to each employee via US Postal mail at their home address. The Lyon County Auditor/Treasurer receives a check register listing all check and direct deposits. The Lyon County Auditor/Treasurer stamps the checks with the Auditor/Treasurer's signature. The Lyon County Auditor/Treasurer is the only authorized signatory and maintains custody of the signature plates. The Auditor/Treasurer's Office then emails the Marshall Office Accounting Technicians to come to pick up the signed checks. These checks are then mailed via USPS with proper itemized check remittances.

With each payroll, the Accounting Technician runs certain reports. These include a Check Register,

Payroll Journal, a summary total by employee, a PERA summary, deductions report by vendor, EFT listing showing trace numbers for the Employee Direct Deposit and various reports that are sent in with vendor checks. Some vendors also require other forms to be completed. A comprehensive checklist is used to assure that all vendors have been paid and all reports run in a timely manner. One of the reports, the PERA salary deduction report, requires routine maintenance and the production of a file transmitted electronically via the intranet into their computer system.

Federal and State withholding figures as shown on the grand total page of the payroll journal are transferred to the IRS and MN Dept. of Revenue, respectively. The State and Federal tax payment is transferred using an ACH debit, which becomes part of the file that includes the employees' pay, Nationwide Retirement Deferred Comp, Valic Deferred Comp, Investors Choice Deferred Comp and PERA. The file also includes the required addendums for the vendors.

A payroll distribution summary report is generated during the next step called "updating the master files". This process distributes wages and benefits for many employees to different funds and/or departments. All the figures are automatically posted to IFSpi as printed on the Payroll Distribution Account Summary. Using this report, the Accounting Technician posts total payroll costs to the manual warrant register.

Authorizations for deductions are filed by the vendor for which the deduction is paid. The Deputy Director maintains files with all insurance changes and Flexible Benefits. Payroll advances are prohibited. The Accounting Technician reports all Quarterly Federal, State and Unemployment insurance withholding and wage reports. The Accounting Technician is also responsible for all year end payroll reporting and to process the end of the year W-2 forms. The 1099's are processed by a different Accounting Technician.

Due to unforeseen problems that may arise, it is always the goal to reach the step in the payroll process that prints the checks and direct deposits stubs and transmits the direct deposit information to Bremer Bank, two days before the payroll date. However, the payroll process must be completed by 5:00 pm Thursday of the payroll week to ensure that the EFT processes correctly and the employees receive their pay in a timely manner.

The Fiscal Supervisor II or Fiscal Officer transmits the check batch file to the Bremer Bank positive pay file on the day the payroll checks are mailed. This process is to transfer the check #, date, and amount to Bremer Bank to compare to when the check is cashed. If there are any discrepancies with the check, it is flagged and an email is sent to the Deputy Director, Fiscal Supervisor II, Fiscal Officers, and the Lyon County Auditor/Treasurer. A Fiscal Officer will sign into the Bremer on-line banking system to verify and approve the check for payment or request to have the check returned to SWHHS due to possible fraudulent activity. This process was put into place as a way to detect possible fraud.

Office Supplies/Administrative Expenses

When regular office supplies are needed in Marshall, the employees will notify the Office Services Supervisor or Executive Assistant. The front desk office support staff in Ivanhoe, Slayton, Luverne,

Pipestone, and Redwood handles this for the respective office. Major purchases (\$200.00 or over) go through the Office Services Supervisor, Executive Assistant and the Director. Supplies are ordered when needed.

The items are received from the vendor, along with an invoice. The invoice and the items received are compared to each other to verify that the department received all items. The supplies are then either placed in the supply cabinet, or they are distributed to the requesting party. The Office Services Supervisor approves all of these invoices and sends them to accounting for payment with the purchase order attached.

The supervisors, the Director, Public Health Division Director, Social Services Division Director and the Deputy Director can also sign off approving the invoices for payment.

Administrative claims are received and examined for correctness by the ~~Deputy Director~~Executive Committee, Fiscal Supervisor II, Office Services Supervisor, or Fiscal Officers, dated and signed off on and sent to accounting for payment. If there is a carry forward balance on a bill, the ~~Deputy Director consults~~issue is investigated by with Accounting Technician, Fiscal Supervisor II or Fiscal Officer who, verifies possible previous payments. Travel requests are signed when approved. They are not attached to the bills but are consulted when the bills come through. Agency cars are available for use and Microsoft Outlook is used to track the applicable information. The Accounting Technician verifies information on the employee's requests for reimbursements with the information in Outlook. Fiscal Officers may sign off on routine bills at their respective office locations, such as monthly copier maintenance (bills that are consistent in amounts and do not vary). All other claims must be approved by a supervisor (indicated by initials and date.)

The Accounting Technician ensures mathematical accuracy of all claims. If the claim is incorrect, the differences are located and changed (in red ink). Any material changes to the employee reimbursement forms are sent back to the appropriate supervisor to be discussed with the employee. Approved claims are coded by an Accounting Technician or Fiscal Officer and then entered by another Accounting Technician into IFSpi. Batch tape totals of the bills are compared to IFSpi totals for data entry accuracy.

There are weekly check batches. See Check Processing.

It is the practice at year end to not prepay payables. If a bill comes in at year end for the next year it is held, and paid in the first check run for the year.

Social Services Expenses

For the Social Services program payments, a need is first determined by a social worker; a service arrangement is prepared for most Social Service costs and entered into Social Service Information System (SSIS) by the social worker. A service arrangement is created in SSIS by the social worker, approved by a Social Services supervisor, and forwarded to the Accounting Department to be printed and mailed to the vendor for signature. For the time frame of services on the service arrangement, pre-coded vouchers/invoices are printed and are enclosed with the arrangement. Once the service arrangement is signed and returned by the vendor,

accounting approves the "payment" part of the arrangement in SSIS. (Social Service Supervisors approve the "service" part prior to being mailed to the vendor.) The vendor-signed service arrangement is then routed to the social worker for filing in the client case file. When payment is to be requested by a vendor, the vendor completes the pre-printed, pre-coded claim vouchers which were provided along with the service arrangement. Vouchers must be signed and dated by the vendor before payment can be made, and no payments are made until the vendor-signed service arrangement has been returned to the accounting department (*except for vendors of State "mandated services" --see that section below.) Upon receipt of vouchers/bills, they are audited for accuracies and corrections are made as needed. When a voucher/bill has service dates of more than the most recent month of services, SSIS payment history is checked for potential duplication. There also is an edit report in SSIS that is done before submitting a batch to IFS. That report also shows potential duplicate payments for the same dates of service, same vendor, and/or same client. If there actually is a duplicated payment, then the current voucher/bill is pulled from the batch and not paid, and totals are adjusted accordingly. Contact with the social worker is made when any voucher is contradictory to the service arrangement and/or when a voucher comes in and there is no service arrangement in SSIS.

There are some payments that do not have service arrangements and/or SSIS pre-printed/pre-coded payment vouchers. These requests for payments are for State "mandatory services" and required payments by counties for chemically Dependent detoxification services, and state-operated facilities or medical hospitals for mental health Hold Orders or Poor Relief services for inpatient clients. These vouchers/bills are signed and dated by a Social Services supervisor for payment approval.

There are weekly batch runs of the SSIS payments. In SSIS, after entry of vouchers/bills, an Accounting Technician reviews the keyed-in vouchers and balances the computer control total to the total of the vouchers/bills. In SSIS, there is an interface process of payments to IFS where warrants/checks and warrant registers are processed. When an Account Technician keys in a payment batch in SSIS, that batch must be interfaced to IFSpi. See Check Processing.

Child Care Payments

Child Care payments are entered in the MEC2 State Centralized Payment System by an Accounting Technician. These paper payments are entered in the system every Monday and the electronic payments are approved daily, the State approves payments nightly. Child Care Eligibility Worker approves eligibility, and then enters service authorizations into the State System for all clients, which authorizes payment. Billing forms are generated by the State System and mailed out to the provider. The provider completes the billing form and mails the form to SWHHS for entry in the State System or the provider will enter their information into MECpro and submit electronically for payment. All applications and verifications are filed in the case file in the case worker's office. Once the billing forms are entered in the State System, the System compares the billing form to the service authorization and then at this point it can accept or reject the payment request. Rejected billing forms are put on hold for review by caseworker. The State then makes the payment directly to the provider and the Income Maintenance Supervisor can access this information. All manual payment requests are approved by the Income Maintenance Supervisor prior to the Accounting Technician processing the payment.

MA Transportation/Insurance Payments

The Accounting Technician receives the MA reimbursement requests from the ~~Income Maintenance Staff~~ Transportation Coordinator. They review the reimbursement form for proper approvals, and proof the math calculations, recording corrections as is needed. The Accounting Technicians prepare payments for Medicare and MA insurance reimbursements. Transportation is paid every Monday with the regular weekly check run and insurance is paid the Friday following Board. Claiming is ~~batch~~-billed per line and submitted through MN-IT's for claim reimbursement. This is done for each client for MA transportation and related expenses that are claimable.

Check Processing

Accounting Technician prints the checks after processing is complete. The check stock is kept in the Marshall office in one of the Accounting Technician's office, separate from the printer (the office is always locked.) One copy of the warrant register and one copy of the abbreviated register are printed. The one copy of the warrant register is filed centrally after appropriate signatures. After each check run, the checks and check register are reviewed by another Accounting Technician or Fiscal Supervisor II to ensure that correct bank account has been selected. The reviewing individual puts the date and initials on the right hand corner of the warrant register. Warrant registers are provided then to and approved/signed by the Agency Director, Deputy Director, Social Services Division Director, or Public Health Division Director.

The abbreviated register is given to the Lyon County Auditor/Treasurer, along with the checks for signature.

~~An abbreviated warrant register~~ Two copies of the Audit List for Board is also printed after each check batch and given to the Office Services Supervisor or Executive Assistant to provide to the Governing Board. The Governing Board reviews the report and if there is a concern, the claims are available for review in the accounting department. The listings are not signed by anyone.

The checks are mailed to the vendors via US Postal mail by the Accounting Technician. The person scheduled for PP (positive pay) that week is required to submit the ACH through the Bremer Bank Online Banking. The transfer is completed, the confirmation page is printed and attached to the back of the signed warrant register. An email is then sent to the accounting department stating that the ACH has been transferred. The Accounting Technician marks "paid" on the claim with a stamp and attaches the claim to the appropriate print voucher. The claims/print vouchers are filed in the Marshall office accounting department by batch date. The files are kept in the accounting office for 1 year, then are moved to the office file storage room. If a warrant/check is to be picked up, proper identification is required. This is done only in extenuating circumstances and only when approved by Deputy Director or Fiscal Supervisor II.

The Fiscal Supervisor II or Fiscal Officer transmits the check batch file to the Bremer Bank positive pay file on the day the checks are mailed. This process is to transfer the check #, date, and amount to Bremer Bank to compare to when the check is cashed. If there are any

discrepancies with the check, it is flagged and an email is sent to the Deputy Director, Fiscal Supervisor II, Fiscal Officers, and the Lyon County Auditor/Treasurer. A Fiscal Officer will sign into the Bremer on-line banking system to verify and approve the check for payment or request to have the check returned to SWHHS due to possible fraudulent activity. This process was put into place to detect possible fraud.

POSITIVE PAY

Positive pay is operated through the agency banking system (Bremer). The Positive Pay system allows users to create a file to upload to their bank for use with the bank's Positive Pay programs. Every check run is uploaded into the SWHHS Bremer account.

This is a Fraud Management service. With Positive Pay Management, SWHHS provides Bremer a list of checks issued. As checks are presented for payment, the dollar amount and check number fields are compared to our list of issued checks and an exception report is produced for any unmatched items. The following business day, we are able to view any exceptions or Paid Not Issued items and make "Pay" or "Return" decisions through the Positive Pay Management System.

This process is monitored via e-mails received from Bremer bank by the Deputy Director, Fiscal Supervisor II, Fiscal Officers and the Lyon County Auditor/Treasurer.

VENDOR REBATE OR REWARD TRACKING

In the rare occurrence that a vendor offers a rebate or reward in response to a particular purchase or purchases, an employee must not gain personally from it. If the application to receive the award does not prohibit businesses from participating, forward the application to the Deputy Director for completion, along with any required proofs of purchase. If the application is to be made on line, forward the information to the Deputy Director. The paperwork will be forwarded to the accounting department.

If the rebate is in the form of a check, it will be made payable to SWHHS. It will be receipted into the account that the expense was paid. If the rebate is in the form of a debit card, the bearer of the card will be determined by the Deputy Director. The card must be used only for allowed business expenses and the receipts saved, which will be filed in the accounting department along with the application paperwork. In the case of a hotel which may offer a free night's stay or a restaurant which may offer a free meal, that reward must be used for an approved trip or meal during the course of business, not for personal gain.

Accrual Codes

SSIS interfaces with IFSpi, accrual codes are added to social services payments in the IFSpi system. Accounting Technicians are responsible for the accrual codes. Accrual codes will be used the first two full months of the year (January/February).

When a payment is made that has a service date from the previous year the payment is marked with one of the following accrual codes:

AP = Accounts payable
DTG = Due to other governments

When receipt money into the IFSpi system that is from the previous year the receipt is marked with one of the following accrual codes:

AR = Accounts receivable
DFG = Due from other governments

The Fiscal Supervisor II or Fiscal Officers will review all transactions (receipts/disbursements) to ensure they are properly coded. The IFSpi report "Account Activity with service dates" will be used. This report is signed and dated by the Fiscal Supervisor II or Fiscal Officer once completely reviewed and appropriate changes made as needed. All changes will be completed by the Fiscal Supervisor II or a Fiscal Officer.

Vendors

An Accounting Technician requests a new vendor be added to IFSpi vendor file as needed. All requests will be entered immediately by a Fiscal Officer. If the assigned Fiscal Officer is unavailable the Accounting Technician will then direct their request to another Fiscal Officer or the Fiscal Supervisor II. The vendor request form is sent to the Fiscal Officer or Fiscal Supervisor II via e-mail. All vendor forms are printed, signed and dated when vendors are entered. The forms are sent to the Fiscal Supervisor II monthly to be kept in a file. The Fiscal Supervisor II will complete periodic monthly reviews of the vendor added/changed listing. The Deputy Director runs the "Vendor Added/Change Report" from IFSpi quarterly. It is reviewed and any questions or concerns are addressed with the Accounting Technician and Fiscal Officer or Fiscal Supervisor II who added the vendor. When completely reviewed it is initialed and dated on the right upper hand corner.

Social Welfare

~~The Social Welfare office deals with individuals of any age that need care or help managing their money. The office collects money from child support, social security, social security supplemental money (SSI), Veterans Affairs (VA) benefits, PERA benefits, retirement, investment accounts, and wages. It is passed through the office for the most part, with the only money being remitted to the county for foster care expenditures incurred by the county.~~

~~For Social Security, Supplemental Social Security, VA benefits, Railroad Retirement and PERA money, the money is either directly deposited in the Social Welfare office checking account or a check is received by the SW Accounting Technician for the office, and subsequently deposited in the checking account. Most monies are received and deposited within the first couple of days during the month. Most payments to the individuals receiving the money are paid out of the checking~~

~~account shortly after it is received. The Social Welfare bank account associated for the Counties of Lincoln, Lyon and Murray was closed 8/5/2011.~~

~~The Social Welfare clients from Rock County were transferred to appropriate vendors and closed out in 2012.~~

~~The Social Welfare clients from Pipestone County and Redwood County were transferred to appropriate vendors and closed out in 2013.~~

Budget

~~The Social Welfare Office does not prepare a yearly expenditures and revenue budget.~~

Cash

~~The bank account was closed and discontinued as of 12/31/2011.~~

Investments

None

Receipts and Revenue

~~The Accounting Office receipts money through direct deposit into the checking account. Direct Deposits are verified by checking the account activity online through the Bank website showing the breakdown of the ACH request.~~

~~The money is paid out to the clients/vendors after the receipt of funds. This was discontinued as of 12/31/2013.~~

Disbursements & Expenditures

~~The only disbursements that flow out of the office are to the clients/vendors. A disbursement is supported by written request of the social worker that is signed and dated by the social worker. If submitted via e-mail, the e-mail is printed along with the request to verify social worker approval of the request. The social workers retain records that support these disbursements. The Accounting Technician prepares the checks using the Social Welfare computer program. Before printing, he/she verifies the amounts on the checks with the requests.~~

~~The Social Welfare office remits money to the county that is related to expenditures by SWHHS for foster care/placement of children. This was discontinued as of 12/31/2013.~~

Computer Controls

~~Computer Controls for the Social Welfare fund are adequate. Usernames and passwords are required to log on to windows and another username and password are needed to gain access to the Social Welfare Program (AS400). Passwords are required to be changed every 30 days for windows and AS400.~~

~~As of January 1, 2011, the decision was made to phase out the Social Welfare Fund. All clients were moved to a private Rep Payee Business.~~

General Receipting and Recording Procedures

SWHHS receives money at all six locations (Lincoln, Lyon, Murray, Pipestone, Redwood, and Rock) through various sources such as over the counter, US postal mail, and EFT ~~from the State~~.

All money received has a written receipt by an Office Support Specialist. The top copy is given to the client if received over the counter or attached to the money if received via US postal service. A report is pulled from the on-line banking system on a daily basis and given to the Accounting Technician. The collections are recorded directly into our cash register, receipting program by an Accounting Technician or Fiscal Officer.

Money received in Lincoln or Murray County is transported to Lyon County for receipting into cash register. Money receipted into the cash register in Pipestone, Redwood, or Rock County are transported periodically to Lyon County. This is through the cash register batch for that location being closed and the money prepared for transportation to Lyon County.

Transporting money to Lyon County is done by all money being accounted for. Form AGAC#22 is completed by the Office Support Specialist, Accounting Technician, or Fiscal Officer in that location. The staff that transports the money, counts it and verifies the amount on the form AGAC#22, then signs for it. The money is transported to Lyon County in an interoffice envelope. The money is then counted by the Office Support Specialist or Office Support Supervisor in Lyon County and again signed for. The money goes directly into a zipper envelope where it is locked up and the Accounting Technician will pick it up on a daily basis. The original Form AGAC#22 is directed to the Fiscal Supervisor II and filed.

On Tuesday, Friday, and the last working day of the month, all batches with money in the Marshall Office are closed out and deposited into our bank account. The Accounting Technician prints a total from the cash register and verifies that amount with the actual money being deposited. The money/EFT is taken to the Lyon County Auditor/Treasurer's office to be receipted into their system and brought to the bank for deposit. A record of the receipt is given to the Accounting Technician by the Lyon County Auditor/Treasurer's office. The amount is verified with the amount SWHHS's records show as being deposited. The amount is recorded in SWHHS's manual, electronic register.

MA Recoveries

When a payment is determined to be a MA recovery, it is receipted into the cash register with a copy of the [MACL#033](#) form attached to the receipt and is deposited into the bank account. The Accounting Technician makes a copy of the form [MACL#033](#) and gives the copy of the MA Recovery sheet and a copy of the check to the Accounting Technician to process the MA recovery.

The Accounting Technician logs onto the “Medicaid Management Information System” (MMIS) using the assigned sign on and secure password. The appropriate county’s sign on needs to be used according to the county of financial responsibility of the recovery.

The types of MA Recoveries are:

- EA - Estate Affidavit
- EP - Estate Probate
- EV - Estate Voluntary
- RE - Recipient Excess Assets
- RW - Recipient Windfall

The Accounting Technician is to hold the funds for an additional 30 days to allow for payment of all approved final expenses before reporting on the MMIS System. Accounting Technicians will also enter Payment Authorization Form [IMElig#032](#) into the MMIS system against MA Recovery monies as a negative amount.

The Deputy Director, Fiscal Supervisor II or the Fiscal Officer monitors monthly the Health Care Invoice to ensure we are being billed regularly for the state’s share of the recoveries. This is also monitored monthly through the budget spreadsheets.

Claiming [and IGI Processing Process](#):

Accounting Technicians process and maintain the following state programs; Waivers/AC and TCM/case management (TCM programs include MH-Adult, MH-Child, child welfare, relocation, VA/DD), and care coordination mainly for reimbursement of purchased items and direct time of case managers. Claims are processed through SSIS (clients on MA); ~~IGI—MN-EConnect (Clients on Blue Cross/Blue Shield, Bridgview, UCare)~~; Availity; [Nightingale Notes](#) and MN-IT’s. The following programs are submitted by the following: MA Access Transportation (MN-IT’s) TCM – CW, MH, VA/DD, DD-Screenings (SSIS); ~~EW Purchased items(IGI)~~– Care Coordination ([AvailityNightingale Notes](#)) & TCM (~~IGI~~[Nightingale Notes](#) & SSIS); and CD Assessments (~~IGI~~[Nightingale Notes](#)).

~~IGI~~ [and AvailityNightingale Notes](#) claims are submitted to Accounting by case workers [and pulled from SSIS](#), Social Services Supervisors, and Health Services for billing purposes.

Those claims submitted through SSIS and MN-IT’s, have remittance advices from DHS. Claims submitted through ~~IGI~~[Nightingale Notes](#), have remittance advices from the Managed Care Organizations, [available through Availity](#). These advices are saved showing reimbursements and denials. RA’s (rejects/denials) are reviewed in SSIS. Supervisors and/or Social Workers are contacted to make appropriate adjustments in MMIS, so claim can be re-submitted to DHS for reimbursement. Resubmission is done in SSIS. For claims that are denied through IGI and

Availability, they are reviewed and corrected appropriately for resubmission for payment.

The Accounting Technician processes Public Health claims produced through Nightingale Notes. Claims are then submitted through ~~IGI's MNE Connect~~, DHS MN-IT's and Availability and some statements are mailed to payers. Once payments are received, they are posted in Nightingale Notes to the appropriate client's account for the corresponding date(s) of service. For claims that are denied, they are reviewed and corrected for resubmission to the appropriate payer or written off when noncollectable.

Revenue regenerated through this reporting, is receipted into each program where appropriate.

Manual Journal Entries:

A manual journal entry is only used when an alternative method through IFSpi is not possible, such as "negative receipt" or "manual warrant/void/correction". Manual journal entries tracked through an electronic tracking form and are entered and posted by the Fiscal Supervisor II or Fiscal Officer.

All manual journal entries completed by the Fiscal Supervisor II are reviewed and signed off on by the Deputy Director. All manual journal entries completed by the Fiscal Officer are reviewed and signed off on by the Fiscal Supervisor II. The originals are filed in the Fiscal Supervisor's office.

Receipt/Disbursement Adjustments

After balancing for the month is completed, the Fiscal Officer(s) and Public Health Program Specialist review the Accounting Activity Report for that month and notes any corrections that need to be made. The Fiscal Officer(s) or Public Health Program Specialist signs off on the changes and sends the corrections to be made to the Accounting Technician on an Account Activity Report with the changes highlighted and the account information showing account numbers. The Accounting Technician enters the corrections into IFSpi using the "Receipt Batches" or M/V/C Batches". The J/E Data Entry Listing report is printed and the Accounting Technician signs off on the changes completed. The completed corrections and documentation are compiled in a binder and kept in the Fiscal Supervisor II's office.

On occasion there are changes needed per the request of a supervisor. The supervisor requesting the change or moving or receipts or expenses puts the request in writing, indicating what and the amount that is to be moved. This will also indicate where those funds are to be moved to. The supervisor signs off on the documentation and the Accounting Technician makes the needed change to funds. Once completed, the documents are filed in the binder in the Fiscal Supervisor II's office.

Reimbursement for Services Monitoring

After monthly and quarterly reports have been submitted to DHS for reimbursement purposes, the EFT's are monitored to make sure reimbursements are received for all submissions processed.

Identifying State and Federal Dollars

All dollars are received from DHS via EFT and are receipted in based on the invoice code provided. All dollars that come into SWHHS from DHS are coded per the DHS Bulletin, "DHS Publishes Standard Invoice Field Codes for Calendar Year 20__". This bulletin is updated annually. It indicates all intergovernmental, state, and federal dollars.

All dollars that come into SWHHS from MDH are receipted into the appropriate grant. There is no document from MDH or coding on check to indicate monies as intergovernmental, state, or federal dollars. At this time SWHHS accounting department is working on their own to determine what each of the dollars received are. Some have been determined and a proper chart of account(s) has been set up. There still remain some monies that are unidentified at this time. MDH does not have one department to contact for these questions as each is coming out of a different unit. SWHHS will continue to work toward all monies being identified and properly coded.

County Collections Billing

The Collections Officer and Case Aide enter corrections and new accounts on a monthly spreadsheet. The Accounting Technician will enter these spreadsheets along with the spreadsheets that are maintained by the Accounting Technician for daycare centers and cobra or retiree insurance premiums into the County Collections System (CCS).

Statements are prepared, printed and mailed once a month by ~~mid-month~~mid-month. Two Accounting Technicians work on preparing these statements. When statements are printed all statements for an entity, that have a credit balance or zero balance are reviewed by the Fiscal Supervisor II and Collections Officer. After the statements are mailed the Accounting Technicians prepare trial balances or activity reports that are given to the appropriate Department Supervisors to monitor their programs.

Nightingale Notes Billing

Public Health Claiming– The accounts receivable/claiming system for Public Health is one part of a larger time tracking system known as Nightingale Notes. Everyone in the Public Health Department is required to fill out an electronic service form. This form tracks all of their hours (worked, sick, vacation, etc.) along with what they worked on and/or what patients they saw that day. Nightingale Notes is used for billing nursing services to the appropriate insurance companies.

Once all the services are entered for the previous month, the Accounting Technician generates the billing cycle in Nightingale Notes. The Accounting Technician then reviews the claims for inconsistencies or errors. Some pay sources are reviewed for data entry error by generating a report built in Nightingale Note report system i.e. jail nursing contract billing. Any questions are emailed to the staff person with the questionable service. Once reviewed and corrected, the Accounting Technician generates the claim file and submits the batch through Availity for most pay sources and through MN-ITS for the Medical Assistance pay source. Availity will then send back three to four edit reports per batch submitted.

The first report is the acknowledgement report. This is the first level of edits the batch file is processed through that will accept or reject the file. If rejected, the Fiscal Officer contacts Nightingale Notes Support to troubleshoot the issue. Once corrected the batch file is generated again and submitted through Availity.

The second set of Availity edit reports is Immediate Batch Text Response (IBT). This report will list all the claims in the batch and list at claim level if the claim has been accepted or rejected.

The third set of Availity edit reports is Electronic Batch Report (EBT). This report will list all the claims in the batch and list at claim level if the claim has been accepted or rejected.

The fourth set of Availity edit reports is Delayed Payer Report (DPT). Not all payers return delayed responses.

Rejected claims for all these edits are reviewed by the Fiscal Officer who determines the corrective action. Once corrected, the Accounting Technician is notified that the claim is ready to resubmit.

Collection of Money After Hours

Clinics are held at SWHHS's office in Redwood Falls three to five times per year, based on number of people signed up. There are a minimum of 10 and maximum of 20 people in each two session clinic. All attendees must pay a fee of \$80.00 the first night of attendance in order to stay. \$120.00 is charged if they miss the first session and are attending the second. In some cases, the additional \$40.00 is waived based on the Probation officer's reasoning for attendee missing the session.

Collection of fee happens from 5:30 – 6:00 PM by the Chemical Dependency Counselor, for SWHHS. The money is collected and a receipt is written from the SWHHS's receipt book. The white copy goes to the attendee; yellow copy goes with the money. The type of payment (cash/check) is noted on the master list of possible attendees. The total money then is placed into an envelope, sealed, signed and dated by the CD Counselor and placed through a slot into the safe located in the building. A copy of the master list is made, signed and dated by the CD Counselor and placed on the Accounting Technician's desk indicating that there is money in the safe.

The Accounting Technician opens the safe and receipts the money into the cash register and amounts are verified against the master list for the clinic. A separate sign in sheet is kept with the CD Counselor as well for further verification if needed.

Radon & Water Testing Kits Procedures

Radon: Radon testing kits and informational booklets are available at no cost from the Minnesota Department of Health during a certain time period once a year. During this time period, the sanitarian orders enough kits and booklets for all locations for the next year.

Water testing: The sanitarian purchases test kit supplies from various lab suppliers by completing a purchase order (Form AC#043), which is then signed by the supervisor. When the invoice arrives, it is compared to the purchase order and the bill is signed by the supervisor & sent to the accounting department for payment. When the bottles arrive, two are boxed up with an "Environmental Health Laboratory Water Test Request Form" as found in the Environmental Health folder on the shared drive.

When a location needs additional kits of any type, an office support staff (OSS) notifies an Environmental Health staff member or support staff to receive about five to ten kits. The sanitarian then routes the kits to that county.

When the general public purchases either a short-term or long-term radon testing kit or a water testing kit at the front counter, they pay a nominal fee for any type of kit to the OSS. The fee is charged to discourage misuse by customers, to recover part of the cost of offering the kits, and to encourage customers to actually use the kits. OSS receipts the payment into the receipt book & gives the customer the white copy. The yellow copy goes with the cash or check & is put into a bank bag in a locked cabinet. The pink copy stays in the receipt book.

Water testing bottles are supplied to regular customers, such as city and rural water systems and construction companies, at no charge. The charge for the water test itself is based on which test or tests are performed with the prices listed on the test request form. The general public makes their payment when dropping off their request form and sample. When the water testing is performed for a regular customer as described previously, a bill will be sent to them by the sanitarian on a monthly basis. The sanitarian monitors the receipt of payments by referencing a list provided by the Fiscal Supervisor on a monthly basis.

DECEMBER 2014
BOARD APPROVAL ON THE FOLLOWING:

- Southwestern Mental Health Center Inc (Pipestone & Luverne locations) –** 01/01/15 to 12/31/15; Mental health services (block grant) to provide adult and children’s outpatient treatment, crisis treatment, medication mgmt, diagnostic assessment, and consultation, \$302, 570 (3% increase) (renewal).
- Southwestern Mental Health Center Inc (Pipestone & Luverne locations) –** 01/01/15 to 12/31/15; Community Support Services for crisis lines, crisis beds, adult day treatment and other community support, \$78,790 (no rate change) (renewal).
- Southwestern Mental Health Center Inc (Pipestone & Luverne locations) –** 01/01/15 to 12/31/15; Intensive Family Based Therapy services, not to exceed \$141,152 per year based on \$25/qtr hour (no rate change) (renewal).
- Southwestern Mental Health Center Inc (Pipestone & Luverne locations) –** 01/01/15 to 12/31/15; Home based family treatment, purchased services not to exceed \$75/hour (no rate change) (renewal).
- Southwestern Mental Health Center Inc (Pipestone & Luverne locations) –** 01/01/15 to 12/31/15; Family Group Decision Making, purchased services not to exceed \$90/hour or \$65/hour co-facilitating (no rate change) (renewal).
- Southern Prairie Community Care (SPCC)-(Marshall, MN) –** 12/01/14 to 12/31/16; Contract for the agency to provide a health system guide (social worker) for services, \$6,250/mo (new).
- Southern Prairie Community Care (SPCC)-(Marshall, MN) -** 01/01/15 – 12/31/15; Information Technology Services, \$65/hour (increase \$10/hour) (new).
- Lincoln County (IT Services) -** 01/01/15 to 12/31/15; Information technology services, \$65/hour plus travel (increase \$10/hour)(renewal).
- Lyon County (IT Services) –** 01/01/15 to 12/31/15; Information technology services, \$4167/month + \$1.50 per mailbox/month (no rate change) (renewal).
- Redwood County (IT Services) –** 01/01/15 to 12/31/15; Information Technology Support contract on as needed basis, \$50/hour (decrease)(renewal).
- Redwood County (Redwood Falls, MN) –** 01/01/15 to 12/31/16; Office lease contract, \$132,500 payable \$11,041.67/month (increase \$300/mo) (renewal).
- Greater MN Family Services (Marshall, MN) –** 01/01/15 to 12/31/15; Contract for MH Family Based Services and Counseling, \$3500/mo (renewal).

- Hills Beaver Creek School ISD 671 (Rock County, MN) – 07/01/14 to 06/30/15;** Agreement for a school MH social worker in the HBC school district, \$10,832.00 annually (no increase)(renewal).
- Luverne School ISD 2184 (Rock County, MN) – 07/01/14 to 06/30/15;** Agreement for a school MH social worker in the Luverne school district, \$16,248.00 annually (no increase)(renewal).
- Karen Gunnink - representative of Turbes, Drealan, Kvilhaug, Hoefker & Co., P.A., (Luverne, MN) – 01/01/15 – 12/31/15;** Conservatorship and guardianship services; \$79/hour (no increase)(renewal).
- Meg Jakubiec (New Ulm, MN) – 01/01/15 to 12/31/15;** Client guardianship services, \$85/mo (no increase) (renewal).
- Paula Koch (Walnut Grove, MN) – 01/01/15 to 12/31/15;** Client guardianship services, \$85/mo (no increase) (renewal).
- Payee Central Diversified Inc. (Alexandria, MN) – 01/01/15 to 12/31/15;** Client guardianship services, \$65/mo (no increase) (renewal).
- Lutheran Social Services of MN (St Paul, MN) – 01/01/15 to 12/31/15;** Client guardianship services, \$53/hour (no increase) (renewal).
- Jana Piotter (Jeffers, MN) – 01/01/15 to 12/31/15;** Client guardianship services, \$20/hour plus expenses (no increase) (renewal).
- MDH C&TC Outreach – 01/01/15 to 12/31/17;** Provide C&TC administrative services to children birth through age 20 that are MA and MinnesotaCare eligible, \$26.50 per child reimbursement (renewal).
- Cynthia Koll-Tengwall (Brooten, MN) – 01/01/15 to 12/31/16;** Family Group Decision Making, purchased services not to exceed \$55/hour (no rate change) (renewal).
- Mary Rademacher (Marshall, MN) – 01/01/15 to 12/31/16;** Family Group Decision Making, purchased services not to exceed \$53/hour (no rate change) (renewal).
- Mary Rademacher (Marshall, MN) – 01/01/15 to 12/31/15;** Clinical supervision and case consultation; \$75/hour plus mileage with a maximum of 10 hours/month (new).
- Southwest Crisis Center (Luverne, MN) – 01/01/15 to 12/31/15;** Community Education and Prevention Services, \$5,000 block grant (no increase)(renewal).

- New Horizons Crisis Center (Marshall, Slayton, Redwood locations) – 01/01/15 to 12/31/15; Block grant payment for parenting services, \$26,000 (no increase) (renewal).**
- New Horizons Crisis Center (Marshall, Slayton, Redwood locations) – 01/01/15 to 12/31/15; TANF block grant for youth relationship series programming (teen pregnancy, dating, etc), \$55,000 (no increase) (renewal).**
- Marlene Verdoes CPA, Representative of Hoffman & Brobst (Marshall, MN) – 01/01/15 to 12/31/15; Accounting services for child support cases, \$120/hour plus expenses with a cap of \$2,500 for the year (renewal).**
- New Life Treatment Center (Woodstock, MN) - 01/01/15 – 12/31/15; CCDTF services, \$211.65/day plus \$.61 Detox mileage (no rate change)(renewal).**
- Sanford Health Network d/b/a Sanford Luverne Medical Center (Luverne, MN) – 01/01/15 to 12/31/15; Rule 25 CD assessments, \$246 per client (renewal).**
- Southwestern Youth Services (Magnolia, MN) - 01/01/15 – 12/31/15 – Non-secure Residential and Detention Services, \$149/day residential (\$7/day increase) and \$160/day detention (no increase)(renewal).**

**2015 BOARD MEETINGS
SWHHS**

**All board meetings will be held in Rooms
1 & 2 (**Exception – November board
meeting will be held in Rooms 4 & 5)**

Wednesday, January 21, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, February 18, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, March 18, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, April 15, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, May 20, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, June 17, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, July 15, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, August 19, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, September 16, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, October 21, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, November 18, 2015
Marshall
607 West Main Street (Government Center)

Wednesday, December 16, 2015
Marshall
607 West Main Street (Government Center)

**RESOLUTION TO DESIGNATE DEPOSITORIES AND AUTHORIZE LYON
COUNTY AUDITOR/TREASURER TO MAKE INVESTMENTS**

WHEREAS, Minnesota Statute § 118A.02, subdivision 1 (a) states “The governing body of each government entity shall designate, as a depository of its funds, one or more financial institutions.”;

WHEREAS, Minn. Stat. § 118A.02, subdivision. 1. (b) (2) allows the governing body to authorize the treasurer or chief financial officer to make investments of funds under Minn. Stat. § 118A.01 to 118A.06 or other applicable law;

THEREFORE, BE IT RESOLVED, that the Southwest Health and Human Services Governing Board designates as depositories the following financial institutions and designates the following as brokers and authorized investment holders:

- Bank of the West
- BNP Paribas
- Bremer Bank
- Bremer Investment Management and Trust
- Home Federal Bank
- MAGIC Fund, management by PFM Asset Management
- Multi-Bank Securities
- State Farm Bank
- Wells Fargo
- Wells Fargo Advisors

BE IT FURTHER RESOLVED, that the Governing Board authorizes the Lyon County Auditor/Treasurer to make investments of funds under Minn. Stat. § 118A.01 to 118A.06 or other applicable law at any one or more of the above based on direction provided by the Executive Committee;

BE IT FURTHER RESOLVED, the Lyon County Auditor/Treasurer is hereby authorized to act and serve as agent on any Southwest Health and Human Services accounts set up or active at any of the above financial institutions, brokers, or investment holders; and

BE IT FURTHER RESOLVED, the above designations and authority conferred shall be and remain in full force and effect until written notice of any amendment or revocation thereof shall have been delivered to and received by the financial institution, broker, or investment holder at each location where an account is maintained and the financial institution, broker, or investment holder shall be indemnified and held harmless from any loss suffered or any liability incurred by it in continuing to act in accordance with this resolution.

LABOR AGREEMENT

Between
Southwest Health and Human Services
&
American Federation of State, County
and Municipal Employees

HUMAN SERVICES

January 1, 2015 to December 31, 2015

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ARTICLE 1 - PURPOSE OF AGREEMENT

This AGREEMENT is entered into between the Southwest Health and Human Services, hereinafter called the EMPLOYER, and the American Federation of State, County, and Municipal Employees, hereinafter called the UNION.

The intent and purpose of this AGREEMENT IS TO:

- 1.1 Establish certain wages and other conditions of employment;
- 1.2 Establish procedures for the resolution of disputes concerning this AGREEMENT'S interpretation and/or application;
- 1.3 Specify the full and complete understanding of the parties; and
- 1.4 Place in written form the parties' agreement upon the terms and conditions of employment for the duration of this AGREEMENT.

ARTICLE 2 - RECOGNITION

The EMPLOYER recognizes the UNION as the Exclusive Representative for employees of Southwest Health and Human Services, Minnesota who perform work in Human Services and/or Social Services as well as all clerical employees who are public employees within the meaning of M.S. 179A.03 Subd. 14, excluding supervisory and confidential employees and employees who perform Public Health Services.

ARTICLE 3 DEFINITIONS

- 3.1 UNION: Council 65 American Federation of State, County and Municipal Employees.
- 3.2 EMPLOYER: Southwest Health and Human Services.
- 3.3 UNION MEMBER: A member of the American Federation of State, County and Municipal Employees.
- 3.4 EMPLOYEE: A member of the exclusively recognized bargaining unit.
- 3.5 BASE PAY RATE: The employee's annual or hourly pay rate exclusive of longevity or any other special allowance. Exempt (salaried) employees shall have their annual salary paid in either 26 or 27 pay periods depending upon calendar

3.6 SENIORITY

- A. EMPLOYER SENIORITY: Length of continuous service with the Employer, subject to Section C.
- B. JOB CLASSIFICATION SENIORITY: Length of service in a job classification covered by this Agreement, subject to section C.
- C. SENIORITY CREDIT FROM PRIOR EMPLOYERS:
 - (i) Employees who were previously employed by Lincoln, Lyon, and Murray Human Services, clerical employees who were employed by Lincoln Lyon Murray Pipestone Public Health or a County that becomes a member of Southwest Health and Human Services (EMPLOYER), shall maintain their seniority dates from their initial employment and job classification from those prior employers, and shall be placed on the seniority list accordingly with other employees of the bargaining unit, so long as there was no interruption in continuous employment from their prior employer and the EMPLOYER. Such employees shall not be viewed as new employees and shall not serve a probationary period unless such employees transfer to a new position outside their job classification pursuant to § 11.2 after their employment with the EMPLOYER begins.
 - (ii) For the purpose of job classification seniority, employees of member counties joining the EMPLOYER shall be placed in the job classification that most closely matches the job duties that the employee performed at the member county as determined by the EMPLOYER.
 - (iii) For seniority credit to apply the employee of a County that is a signatory to the Southwest Health and Human Services Joint Powers Agreement for Human Services must have been employed in the Human Services Department of that member county immediately prior to becoming employed by the EMPLOYER.
 - (iv) "Immediately prior" means there shall be no break in service between the employment with any of the member county or LLMHS or, for clerical employees LLMPPH, ending and employment with the EMPLOYER beginning. In the event that the individual is later employed by the EMPLOYER, the individual shall not subsequently be entitled to service credit for past employment with a member county, LLMHS or for clerical employees, LLMPPH.

3.7 OVERTIME: Work performed at the express authorization of the EMPLOYER in excess of forty (40) hours within a seven (7) day period as determined by the employer.

3.8 LAYOFF: Reduction in an employee's scheduled hours of work or elimination of the employee's position.

3.9 TRIAL PERIOD: The first ninety (90) calendar days after a bargaining unit member is promoted, transferred, or accepts a position outside the bargaining unit, after having

completed their initial probationary period within the bargaining unit.

ARTICLE 4-UNION SECURITY

In recognition of the UNION as the exclusive representative the EMPLOYER shall:

- 4.1 The EMPLOYER shall deduct union dues from the earnings of those employees who authorize such deductions in writing. The UNION shall submit such authorizations in writing to the EMPLOYER at least seven (7) days prior to the end of the pay period for which the deductions are to be effective, verifying the employees for whom full and fair share amounts shall be deducted. Such deductions shall continue in effect until canceled.
- 4.2 The EMPLOYER shall deduct each pay period, an amount as directed by the Union
 - a. Withheld dues shall be forwarded to AFSCME Council 65 Administrative Office (118 Central Ave, Nashwauk, MN 55769) within ten (10) days after the deductions are made, together with a record of the amount and a list of the names of the employees from whose wages deductions were made
 - b. Deduction of dues or fees shall be made each pay period using a formula (or schedule, if applicable) provided by the UNION to the EMPLOYER to calculate the actual dues deduction. The UNION will provide a spreadsheet or formula that can be used to calculate the actual dues in an electronic Excel format or via U.S. mail. Dues deductions shall be continued and terminated in accordance with said authorization card.
- 4.3 The UNION shall provide employees with union authorization cards for membership and union dues. The EMPLOYER shall not be responsible for providing such cards to employees. Cards and information regarding union dues may be obtained through AFSCME Council 65 Administrative Office (118 Central Ave, Nashwauk, MN 55769)
- 4.4 The UNION may designate employees from the bargaining unit to act as stewards and shall inform the EMPLOYER in writing of such choice.
- 4.5 The UNION agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders, or judgments brought or issued against the EMPLOYER as a result of any action taken or not taken by the EMPLOYER under the provisions of this Article.
- 4.6 DEDUCT FAIR SHARE fees in accordance with the provisions of M.S. 179.65, Subd. 2.
- 4.7 The EMPLOYER agrees to allow the UNION to use designated bulletin boards and e-bulletins for the purpose of posting notices of UNION meetings, election, election returns, appointments to office and any other items specifically approved by the EMPLOYER. The UNION agrees to limit the posting of such notices to designated locations.

ARTICLE 5- EMPLOYER AUTHORITY

- 5.1 The EMPLOYER retains the full and unrestricted right to operate and direct the affairs of the EMPLOYER in all its various aspects including, but not limited to the right to direct the work force, select and manage all personnel, assign overtime, layoff employees due to lack of work and other legitimate reasons, make and enforce rules and regulations; determine the utilization of technology; change or eliminate existing methods, equipment or facilities; establish functions, policies and programs; set and amend budgets; establish and modify the organizational structure; and to perform any inherent managerial function not specifically limited by this AGREEMENT.
- 5.2 Any term and condition of employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish, or eliminate.
- 5.3 In the event that the EMPLOYER proposes to make changes to its policies which affect a mandatory subject of bargaining, the UNION shall be notified in advance. The Union shall promptly notify the employer if it is interested in negotiating regarding such subject(s). If negotiation is requested, such policies shall not be implemented for bargaining unit employees until the negotiation process is complete.

ARTICLE 6-EMPLOYEE RIGHTS- GRIEVANCE PROCEDURE

6.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this AGREEMENT.

6.2 UNION REPRESENTATIVES

The EMPLOYER will recognize representatives designated by the UNION as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The UNION shall notify the EMPLOYER in writing of the names of such UNION representatives and of their successors when so designated.

6.3 PROCESSING OF A GRIEVANCE

It is recognized and accepted by the UNION and the EMPLOYER that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the EMPLOYEES and shall therefore be accomplished during normal working hours only when consistent with such EMPLOYEE duties and responsibilities. The aggrieved EMPLOYEE and the UNION REPRESENTATIVE shall be allowed a reasonable amount of time without

loss in pay when a grievance is presented to the EMPLOYER during normal working hours provided the EMPLOYEE and the UNION REPRESENTATIVE have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the EMPLOYER.

6.4 PROCEDURE

Employees are encouraged to attempt to resolve their grievances, as defined by Section 5.1 on an informal basis with their immediate supervisor at the earliest opportunity. If the matter cannot be resolved to the employee's satisfaction by informal discussion, it shall be then processed in accordance with the following procedure:

Step 1. An EMPLOYEE claiming a violation concerning the interpretation or application of this AGREEMENT shall, within twenty-one (21) calendar days after such alleged violation has occurred, present the grievance to the EMPLOYEE'S designated representative in writing, setting forth the facts and the specific provision of the Agreement allegedly violated and the particular relief sought. The EMPLOYER-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt.

Step 2. A grievance not resolved in Step 1 may be appealed to Step 2 in writing within ten (10) calendar days after the EMPLOYER-designated representative's final answer in Step 1, and shall set forth the nature of the grievance, the facts on which it is based, the provision or provisions of the AGREEMENT allegedly violated, and the remedy requested. Any grievance not appealed in writing to Step 2 by the UNION within ten (10) calendar days shall be considered waived.

If appealed, the grievance shall be presented by the UNION and discussed with the EMPLOYER-designated Step 2 representative. The EMPLOYER-designated representative shall give the UNION the EMPLOYER'S Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance.

Step 3. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the EMPLOYER-designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the UNION within ten (10) calendar days shall be considered waived.

If appealed, the written grievance may, by mutual written agreement, be submitted to mediation through the Minnesota Bureau of Mediation Services.

Step4. A grievance unresolved in Step 2 which the parties do not mediate or which is unresolved at Step 3 may be appealed to Step 4 and submitted to arbitration.

The EMPLOYER and the UNION representative may endeavor to select a mutually acceptable arbitrator to hear and decide the grievance or may select an arbitrator in accordance with the Rules established by the Bureau of Mediation Services. Absent any factors beyond the control of the Union or the Employer, the Union and the Employer shall select an arbitrator within ninety (90) calendar days from the date the Union appeals the grievance to Step 4 of the grievance procedure. If no selection is made within this ninety (90) day timeframe, the grievance shall be considered waived. However, no such waiver shall occur due to the failure of the Employer to engage in the selection process.

6.5 ARBITRATOR'S AUTHORITY

- A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this AGREEMENT. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the EMPLOYER and the UNION, and shall have no authority to make a decision on any other issue not so submitted.
- B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the EMPLOYER and the UNION and shall be based solely on the arbitrator's interpretation or application of the express terms of this AGREEMENT and to the facts of the grievance presented.
- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

6.6 WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER'S last answer. If the EMPLOYER does not answer a grievance or an appeal

thereof within the specified time limits, the UNION may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the EMPLOYER and the UNION.

6.7 CHOICE OF REMEDY

A grievance unresolved at Step 3 that involves a suspension, demotion or discharge of an employee who has completed the required probationary period may be appealed either to Step 4 of Article VI or a procedure such as: Merit System, Veteran's Preference or other statutory proceeding. If appealed to any procedure other than Step 4, the grievance is not subject to the arbitration procedure as provided in Step 4. The aggrieved employee shall elect in writing which procedure is to be utilized, Step 4, or another appeal procedure, and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4.

ARTICLE 7 - SAVINGS CLAUSE

In the event any provision of this AGREEMENT shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of the AGREEMENT shall continue in full force and effect. The voided provision may be renegotiated at the request of either party.

ARTICLE 8 - WORK SCHEDULES

- 8.1 The sole authority to establish or modify work schedules is with the EMPLOYER.
- 8.2 The EMPLOYER will give seven (7) calendar days advance notice to employees affected by the establishment of permanent change in schedule.
- 8.3 Any employee directed to work outside of their assigned office shall begin their work day at the beginning of their travel to their unassigned office.

ARTICLE 9- OVERTIME PAY AND COMPENSATORY TIME

- 9.1 All overtime must be approved in advance by the employee's supervisor. Hours worked by non-exempt employees in excess of forty (40) hours within a seven (7) day period (as determined by the employer) will be compensated at one and one-half (1-1/2) times the employee's regular base pay.
- 9.2 The maximum number of hours that a non-exempt employee should work in any week is 37.5 hours. With supervisory approval, non-exempt employees may work up to two and a half (2.5) hours over the regular 37.5 hours which will be earned as compensatory time.
- 9.3 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.

- 9.4 Exempt employees may earn compensatory time at one (1) hour for each hour worked in excess of thirty seven and a half (37.5) hours with prior approval of a supervisor, unless a supervisor is unavailable and immediate client needs require attention. In such circumstances, supervisor approval must be obtained the following work day. If an on-call employee takes a call or is called out to work, compensatory time is to be earned at time and a half (1.5).
- 9.5 Compensatory time taken must be approved in advance by the employee's immediate supervisor.
- 9.6 Compensatory time will be earned and taken in 30 minute increments at a minimum. The balance of compensatory time at the end of the payroll period shall never be more than 15 hours. Time in excess of 15 hours at the end of a payroll period will be lost to exempt employees. For non-exempt employees, the time in excess of 15 hours at the end of a payroll period shall be paid out to the employee at the employee's regular rate of pay.

ARTICLE 10- DISCIPLINE

The EMPLOYER will discipline employees only for just cause. Discipline will be in one or more of the following forms, as appropriate to the circumstances: oral reprimand with written documentation, written reprimand, suspension, demotion, or discharge.

Employees shall be provided with a copy of all disciplinary actions and a copy of their performance evaluations.

ARTICLE 11 - PROBATIONARY PERIODS

- 11.1 All newly hired or rehired employees will serve an initial one-year probationary period.
- 11.2 At any time during the initial probationary period a newly hired or rehired employee may be terminated at the sole discretion of the EMPLOYER. Such terminations shall not be subject to the grievance procedure.
- 11.3 All employees will serve a six (6) months' bargaining unit probationary period in any job classification within the bargaining unit in which the employee has not served a probationary period. During the initial ninety (90) calendar day trial period, the employee may return to their prior position at their request and shall retain the job classification seniority upon reinstatement to the position previously held.
- 11.4 At any time during the six month bargaining unit probationary period, an employee promoted or reassigned may be demoted or reassigned to the employee's previous position at the sole discretion of the EMPLOYER. If an employee is returned to his or her prior position by the EMPLOYER during their bargaining unit probationary period, that employee shall retain the job classification seniority upon reinstatement to the position previously held.

- 11.5 An employee who accepts a position outside of the bargaining unit shall retain his/her job classification seniority within the unit for a trial period of ninety (90) calendar days during which either the employee or the EMPLOYER may return the employee to the employee's previous job classification. At the conclusion of the trial period, the employee's seniority rights under this agreement shall terminate. Nothing in this provision shall be construed as modifying or impacting any probationary or trial period that is or may be required in the position outside of the bargaining unit.
- 11.6 Newly hired probationary employees may use accrued sick leave as it is earned. They may use accrued vacation leave after three (3) months of employment. Employees serving probationary periods in new job classifications shall be entitled to use all accrued paid leave time consistent with the terms of Article XV.

ARTICLE 12 - SENIORITY

- 12.1 In the event of layoff, employees will be laid off on the basis of job classification seniority. The Employer will endeavor to provide employees with as much notice of temporary layoff as reasonably practicable based upon the circumstances. Notification of permanent layoff will be 3 weeks.
- The employee laid off shall then have the opportunity to bump the least senior employee in the job classification the employee most recently previously held, provided the employee has more seniority than the employee he/she intends to bump.
- 12.2 Recall from layoff will be on the basis of job classification seniority. Recall rights will continue for twelve (12) months after lay off. Recalled employees shall have ten (10) working days after notification of recall by registered mail at the employee's last known address to report to work or forfeit all recall rights.
- No new employee shall be hired to work in classifications in which layoffs have occurred until all employees in those classifications on layoff status who wish to return have been recalled.
- 12.3 Seniority lists: The EMPLOYER shall establish seniority lists by EMPLOYER and job classification seniority and will provide such lists to the UNION upon request. The UNION shall be notified of new hires within the bargaining unit, including job classification and rate of pay.
- 12.4 Seniority: Newly hired employees shall be placed on the seniority lists upon completion of their probationary periods.
- 12.5 EMPLOYER seniority shall be used for the purpose of determining benefits.

ARTICLE 13 – JOB VACANCIES

- 13.1 Job vacancies within the agency will be posted within the agency for five (5) work days prior to being advertised publicly. Interested employees may submit application for a position after the Board approves the position to be filled, prior to the posting date. The EMPLOYER shall have the discretion to determine whether or not to seek outside applicants.
- 13.2 Employees selected to fill a position in a higher job classification shall be subject to the conditions of ARTICLE XI (PROBATIONARY PERIOD).
- 13.3 The EMPLOYER has the right of final decision in the selection from all applicants (internal and external) to fill jobs based on qualifications, abilities and experience and to set initial salary. In the event that an initial salary is higher than the lowest paid employee in the job classification, the Union shall be notified in advance of the recommendation to the Board. The EMPLOYER shall meet and confer with the UNION upon request and provide information regarding the experience and qualifications of the successful applicant and the reason for the wages/salary.

ARTICLE 14 – HEALTH, DENTAL, LTD (Long-term disability), and LIFE INSURANCE PLANS

Hereinafter called the Cafeteria Plan

- 14.1 The EMPLOYER will contribute up to a maximum of six hundred sixteen dollars (\$616.00) per month per employee for the cafeteria plan for employees taking single coverage. The EMPLOYER will contribute up to a maximum of nine hundred ninety one dollars (\$991.00) per month per employee to the cafeteria plan for employees taking dependent coverage. Employees are required to carry single or dependent health care coverage, LTD (long-term disability) coverage, and life insurance using the maximum employer contributions stated above.
- 14.2 Retiring employees who:
- a) were employed by Lincoln, Lyon, and Murray Human Services (LLMHS) and were employed by that agency prior to August 22, 2005 and worked continuously for LLMHS through December 31, 2010 with no break in service; and
 - b) were hired by the EMPLOYER effective January 1, 2011 with no break in service and are employed on a full-time basis with the EMPLOYER; and
 - c) are receiving a disability benefit or PERA annuity, or have met age and service requirements necessary to receive a PERA annuity;
- shall be entitled to receive 4% per year of service toward the employee's (dependents are excluded) health and dental single insurance premium, including their years of service at LLMHS.

This amount shall not exceed 100% nor shall the total amount exceed the amount paid by Southwest Health and Human Services on behalf of their employees. Payment of this amount will be discontinued if the employee's share of the premium(s) is not paid within the deadline set by the EMPLOYER. Payment shall also be discontinued when the employee becomes eligible for Medicare or if the employee obtains employment where single health insurance is available at no cost to the employee.

Employees hired after August 22, 2005 by Lincoln, Lyon, and Murray Human Services are not eligible for retirement health insurance benefits. No employees hired by the EMPLOYER who were not employed by LLMHS are entitled to retirement health insurance benefits.

- 14.3 The Agency will cover the maintenance costs of the benefit plans. The employee shall be responsible for any lost or extra debit cards.

ARTICLE 15- LEAVES

- 15.1 VACATION LEAVE- Full-time employees shall be granted paid time off as follows: Each permanent or probationary full time employee shall earn, on the last working day of each payroll period:

- 3.7 hours of vacation leave for 1-5 years of service
- 5.55 hours of vacation leave for 6-9 years of service
- 6.45 hours of vacation leave for 10-14 years of service
- 7.35 hours of vacation leave for 15+ years of service

Vacation leave can accumulate to 224 hours. No time is accumulated after reaching the maximum. Vacation leave cannot be used during the first three months of full time equivalency service. When taking vacation leave, the minimum increment that can be used is one-half hour. Vacation leave cannot be used until it is earned.

No Vacation Leave will accrue after the employee reaches 224 hours.

Requests for vacation leave must be made to the employee's supervisor in writing and must be authorized in advance by the supervisor in writing. In the absence of the employee's supervisor, the request may be made to another supervisor in Human Services or the Director of Business Management.

Upon voluntary separation of employment, any employee who has six (6) months of satisfactory service will be paid for any accrued vacation leave that has not been used. Employees may not use more than three days during the last two weeks of employment. Employees terminated for misconduct shall not be entitled to be paid for accrued unused vacation leave. This shall not apply to employees terminated for poor work performance.

15.2 MEDICAL LEAVE

- a. Employees shall earn paid medical leave at the end of the payroll period at the rate of 3.7hours.

- b. Paid medical leave will be prorated for part-time employees.
- c. Paid medical leave can be accumulated to a maximum of 450 working hours. No time is accumulated after reaching this maximum.
- d. Paid medical leave may not be used in the payroll period it is earned.
- e. When taking paid medical leave, the minimum increment that can be used is one-half hour.
- f. Employees shall use paid medical leave for FMLA leave purposes.
- g. Paid medical leave may be used for illness (self and immediate family), injury, medical and dental appointments.(Immediate family shall be spouse, children, parents, grandparents and legal wards) as prescribed by MN Statute 181.9413.
- h. The employer may require medical documentation when three days of leave is used within a thirty (30) day period. Such documentation may consist of verification of doctor's or dental appointments without disclosure of diagnosis. The employer reserves the right to require additional information, including medical information, in the event that there is a pattern indicating the possible abuse of sick leave.
- i. If any employee receives a compensable injury and has benefits accrued under sick leave, the employee may at his/her option, request and receive sick leave to supplement the difference between his/her regular pay and Worker's Compensation. The total amount paid to the employee will not exceed his/her regular earnings.

When an employee cannot report to work due to an illness the employee shall notify the receptionist so the employee's calendar can be updated. The receptionist should then notify the supervisor so that unit coverage is ensured. Medical leave due to preplanned medical appointments must be approved by the employee's supervisor in the same manner as vacation.

Employees may not use medical leave during the last two weeks of employment after submitting their resignation, except in the case of accident, injury or documented illness of the employee.

15.3 PAID MEDICAL LEAVE DURING VACATION LEAVE

When illness occurs within a period of vacation leave, the period of illness may be charged as paid medical leave and the charge against vacation leave reduced accordingly except when the employee has submitted their resignation.

15.4 FAMILY MEDICAL LEAVE ACT (FMLA) LEAVE will be provided as required by law.

A "rolling forward" period of time for FMLA leave shall be used. Employees must use accumulated

paid leave during FMLA leave. Employees may hold up to 37.5 hours of sick leave to be available upon return from leave. Employees will provide written notification to their supervisor of their intent to bank sick leave prior to FMLA leave.

15.5 STATUTORY LEAVES - Military leave, bone marrow donation, jury duty and other statutory leaves will be provided by as required by law, and may be enhanced but not diminished by SWHHS policy.

15.6 BEREAVEMENT LEAVE

Each employee shall have up to 30 hours noncumulative annual bereavement leave in the event of the death of the employee's parents, children, spouse, siblings, legal wards, grandparents, grandchildren, nieces, nephews, and spouse's parents. Such days shall be with pay and shall not be deducted from sick leave or vacation balances. Such leave must be taken in a minimum of 1/2 (.5) hour increments.

Upon exhaustion of the noncumulative bereavement leave and approval of their supervisor, an employee may use up to three (3) days of medical leave for bereavement of a parents, children, spouse, siblings, legal wards, grandparents, grandchildren, nieces, nephews, and spouse's parents.

Reasonable leave time without loss of pay will be allowed to attend a funeral of current staff members or former staff members who have left the agency within the last two years.

In the event of a death in the family the employee shall inform the supervisor in the-same manner as for sick leave.

15.7 Union Leave - Upon written request by the Union, unpaid leave shall be granted for up to a maximum of three (3) employees selected by the Union to do union business for up to a maximum of five (5) days per year.

ARTICLE 16 - HOLIDAYS

16.1 Employees shall receive the following ten and ½* (10.5*) holidays:

New Year's Day	Veterans' Day
Martin Luther King Day	Thanksgiving Day
President's Day	Day after Thanksgiving
Memorial Day	Christmas Eve day at noon if December 24
Independence Day	falls on Tuesday, Wednesday, or
Labor Day	Thursday
	Christmas Day

*When Christmas Eve falls on a Monday, 7.5 hours of Holiday will be observed.

- 16.2 Non-exempt employees required to work on holidays shall be paid one and one-half (1-1/2) times the employee's base pay rate for hours worked. This is in addition to the employee's base pay. In all cases where a non-exempt employee is required to work on a holiday and such hours worked are in excess of forty (40) hours per week, ARTICLE 9.1 shall apply.
- 16.3 In the event that a holiday falls on a Sunday, the following Monday shall be paid holiday, and if any of these fall on a Saturday, the preceding Friday shall be a paid holiday.
- 16.4 Employees shall be required to work their last regularly scheduled work day prior to the holiday and their next regularly scheduled work day after the holiday to qualify for holiday pay, unless the employee is absent due to illness, accident, is on vacation or due to the death in the employee's immediate family.

ARTICLE 17 - LEAVES OF ABSENCE

Leaves of absence not otherwise set forth in this agreement will be provided as per law or Southwest Health and Human Services Policy.

In the event that the EMPLOYER makes changes to its policies which affect a mandatory subject of bargaining, the UNION shall promptly notify the employer if it is interested in negotiating regarding such subject(s).

ARTICLE 18 - PART-TIME EMPLOYEES

Part-time employees shall be eligible for pro-rated holidays, medical leave, and vacation benefits under this AGREEMENT.

ARTICLE 19 - COMPENSATION

- 19.1 On call social workers will bill the agency monthly at \$25 per day. On-call social workers will bill the agency \$50 per day for holidays as defined by Article XVI of this contract.
- 19.2 Professional Licensure: the EMPLOYER will pay for one-half of any professional licensing fees when the license is required for the job. This does not include application or late fees.
- 19.3 Employees shall be paid in accordance with attachment A
- 19.4 Notwithstanding any provision for the continuation of the agreement following the expiration of the term pursuant to P.E.L.R.A., steps on any wage schedule shall not be automatic, The EMPLOYER reserves the right to deny or withhold steps following the expiration of the term of this AGREEMENT.

ARTICLE 20 - SAFETY

The EMPLOYER and the UNION agree to jointly promote safe and healthful working conditions, to cooperate in safety matters and to encourage employees to work in a safe manner.

A copy of the Safety Policy shall be available online to all employees.

Employees shall report unsafe conditions to one of the Safety Committee Chairpersons and/or the Administrator.

ARTICLE 21 – GENERAL PROVISIONS

SWHHS policies regarding the general terms and conditions of employment shall be applied, including but not limited to such matters as, expense reimbursement, flex schedule, telecommuting, inclement weather, community service participation and use of agency vehicles.

In the event that the EMPLOYER makes changes to its policies which affect a mandatory subject of bargaining, the UNION shall promptly notify the EMPLOYER if it is interested in negotiating regarding such subject(s).

ARTICLE 22 - WAIVER

22.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this AGREEMENT, are hereby superseded.

22.2 The parties mutually acknowledge that during the negotiations which resulted in this AGREEMENT, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or condition of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this AGREEMENT for the stipulated duration of this AGREEMENT.

ARTICLE 23 - DURATION

This AGREEMENT shall be effective as of January 1, 2015 and shall remain in full force and effect until the 31st day December 2015. It shall be automatically renewed from year to year thereafter, unless either party shall notify the other party in writing prior to date of expiration that it desires to modify this agreement. This Contract shall remain in full force and effect during the period of such negotiations.

FOR SOUTHWEST HEALTH AND HUMAN SERVICES

FOR AMERICAN FEDERATION OF STATE COUNTY & MUNICIPAL EMPLOYEES

Christopher Sorensen, Director
Dated _____

Darcy Tribble, Union President
Dated _____

Bob Moline , Board Chairperson
Dated _____

Serena Vergin , AFSCME Representative
Dated _____

APPENDIX A
2015 Compensation

For 2015, non-exempt employees shall be granted up to a 4.5% increase to their 2014 hourly wage. Exempt employees shall be granted up to a 4.5% increase to their 2014 annual salary.

2015 increases shall be based upon the performance evaluation tool. Evaluations will be subject to the grievance process up through Step 2.

Employees successfully completing their initial probationary period in 2015 shall receive a 1% increase.

APPENDIX B

Leave time transfers for new county partners to the Southwest Health and Human Services Joint Powers Organization

The Union and the Employer agree that up the Employer may enter into agreements to allow the transfer of up to the maximum medical leave and vacation leave balances set forth in this agreement for employees of new JPA members as long as the joining partner county compensates SWHHS fully for the transferred time. Nothing in this agreement shall allow employees of new member counties to file grievances related to the amount of leave transferred pursuant to any agreement between the Employer and their member county/prior employer.

LABOR AGREEMENT

Between

SOUTHWEST HEALTH AND HUMAN SERVICES

And

**AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES**

PUBLIC HEALTH

JANUARY 1, 2015 TO DECEMBER 31, 2015

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ARTICLE 1 – PURPOSE OF AGREEMENT

This Agreement is entered into between the Southwest Health and Human Services, hereinafter called the Employer, and the American Federation of State, County and Municipal Employees, hereinafter called the Union.

The intent and purpose of this Agreement is to:

- 1.1 Establish certain wages and other conditions of employment;
- 1.2 Establish procedures for the resolution of disputes concerning this Agreement's interpretation and/or application;
- 1.3 Specify the full and complete understanding of the parties; and
- 1.4 Place in written form the parties' agreement upon the terms and conditions of employment for the duration of this Agreement.

ARTICLE 2 – RECOGNITION

The Employer recognizes the Union as the exclusive representative for employees of the Southwest Health and Human Services, Minnesota, who perform work in Public Health who are public employees within the meaning of M.S. 179A.03, Subd. 14, excluding supervisory and clerical employees.

ARTICLE 3 – DEFINITIONS

- 3.1 **UNION:** Council 65, American Federation of State, County and Municipal Employees.
- 3.2 **Employer:** Southwest Health and Human Services.
- 3.3 **Union Member:** A member of the American Federation of State, County and Municipal Employees.
- 3.4 **Employee:** A member of the exclusively recognized bargaining unit.
- 3.5 **Base Pay Rate:** The employee's annual or hourly pay rate exclusive of longevity or any other special allowance.
- 3.6 **Seniority**
 - A. **Employer Seniority:** Length of continuous service with the Employer, subject to Section C.
 - B. **Job Classification Seniority:** Length of service in a job classification covered by this Agreement, subject to Section C.
 - C. **Seniority Credit from Prior Employers:**

(i) Employees who were previously employed by Lincoln, Lyon, Pipestone Public Health (LLMPPH) or a County that becomes a member of Southwest Health and Human Services (Employer), shall maintain their seniority dates from their initial employment and job classification from those prior employers, and shall be placed on the seniority list accordingly with other employees of the bargaining unit, so long as there was no interruption in continuous employment from their prior employer and the Employer. Such employees shall not be viewed as new employees and shall not serve probationary period unless such employees transfer to a new position outside their job classification pursuant to 11.2 after their employment with the Employer begins.

(ii) For the purpose of job classification seniority, employees of member counties joining the Employer shall be placed in the job classification that most closely matches the job duties that the employee performed at the member county as determined by the Employer.

(iii) For seniority credit to apply, the employee of a county that is signatory to the Southwest Health and Human Services Joint Powers Agreement for Public Health and must have been employed in the Public Health Department of that member county immediately prior to becoming employed by the Employer.

(iv) "Immediately prior" means there shall be no break in service between the employment with any of the member county or LLMPPH ending and employment with the Employer beginning. In the event that the individual is later employed by the Employer, the individual shall not subsequently be entitled to service credit for past employment with a member county or LLMPPH.

- 3.7 Overtime: Work performed at the express authorization of the Employer in excess of forty (40) hours within a seven (7) day period.
- 3.8 Layoff: Reduction in an employee's scheduled hours of work or elimination of the employee's position.
- 3.9 Trial Period: The first ninety (90) calendar days after a bargaining unit member is promoted, transferred, or accepts a position outside the bargaining unit, after having completed their initial probationary period within the bargaining unit.

ARTICLE 4 – UNION SECURITY

- 4.1 The Employer shall deduct union dues from the earnings of those employees who authorize such deductions in writing. The Union shall submit such authorizations in writing to the Employer at least seven (7) days prior to the end of the pay period for which the deductions are to be effective, verifying the employees for whom full and fair share amounts shall be deducted. Such deductions shall continue in effect until canceled.

- 4.2 The Employer shall deduct each pay period an amount as directed by the Union.**
- a. Withheld dues shall be forwarded to AFSCME Council 65 Administrative Office (118 Central Avenue, Nashwauk MN 55769) within ten (10) days after the deductions are made, together with a record of the amount and a list of the names of the employees from whose wages deductions were made.**
- b. Deduction of dues or fees shall be made each pay period using a formula (or schedule if applicable) provided by the Union to the Employer to calculate the actual dues deduction. The union will provide a spreadsheet or formula that can be used to calculate the actual dues in an electronic Excel format or via US Mail. Dues deductions shall be continued and terminated in accordance with said authorization card.**
- 4.3 The Union shall provide employees with Union authorization cards for membership and Union dues. The Employer shall not be responsible for providing such cards to employees. Cards and information regarding Union dues may be obtained through AFSCME Council 65 Administrative Office (118 Central Avenue, Nashwauk MN 55769).**
- 4.4 The Union may designate employees from the bargaining unit to act as stewards and shall inform the Employer in writing of such choice. The Employer agrees to allow the officers and representatives of the bargaining unit reasonable time off for meetings with the employer. Leaves of absence, with prior approval and without pay, for the purpose of conducting Union business when such time will not unduly interfere with the operations of the department may be requested.**
- 4.5 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.**
- 4.6 Deduct fair share fees in accordance with the provisions of M.S. 179.65, Subd. 2.**
- 4.7 The Employer agrees to allow the Union to use designated bulletin boards and e-bulletin boards for the purpose of posting notices of Union meetings, election, election returns, appointments to office, and any other items specifically approved by the Employer. The Union agrees to limit the posting of such notices to designated locations.**

ARTICLE 5 – EMPLOYER AUTHORITY

- 5.1** The Employer retains the full and unrestricted right to operate and direct the affairs of the Employer in all its various aspects including, but not limited to the right to direct the work force, select and manage all personnel, assign overtime, lay off employees due to lack of work and other legitimate reasons, make and enforce rules and regulations; determine the utilization of technology; change or eliminate existing methods, equipment or facilities; establish functions, policies and programs; set and amend budgets; establish and modify the organizational structure; and to perform any inherent managerial function not specifically limited by this Agreement.
- 5.2** Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish or eliminated.
- 5.3** In the event that the Employer proposes to make changes to its policies which affect a mandatory subject of bargaining, the Union shall be notified in advance. The union shall promptly notify the Employer if it is interested in negotiating regarding such subject(s). If negotiation is requested, such policies shall not be implemented for bargaining unit employees until the negotiation process is complete.

ARTICLE 6 – EMPLOYEE RIGHTS – GRIEVANCE PROCEDURE

- 6.1** Definition of a Grievance. A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.
- 6.2** Union Representatives. The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.
- 6.3** Processing of a Grievance. It is recognized and accepted by the Union and the Employer that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.

6.4 Procedure. Employees are encouraged to attempt to resolve their grievances, as defined by Section 5.1, on an informal basis with their immediate supervisor at the earliest opportunity. If the matter cannot be resolved to the employee's satisfaction by informal discussion, it shall be then processed in accordance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within twenty-one (21) calendar days after such alleged violation has occurred, present the grievance to the employee's designated representative in writing, setting forth the facts and the specific provision of the Agreement allegedly violated and the particular relief sought. The Employer-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt.

Step 2. A grievance not resolved in Step 1 may be appealed to Step 2 in writing within ten (10) calendar days after the Employer-designated representative's final answer in Step 1, and shall set forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, and the remedy requested. Any grievance not appealed in writing to Step 2 by the Union within ten (1) calendar days shall be considered waived.

If appealed, the grievance shall be presented by the Union and discussed with the Employer-designated Step 2 representative. The Employer-designated representative shall give the Union the Employer's Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance.

Step 3. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the Employer-designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

If appealed, the written grievance may, by mutual written agreement, be submitted to mediation through the Minnesota Bureau of Mediation Services.

Step 4. A grievance unresolved in Step 2 which the parties do not mediate or which is unresolved at Step 3 may be appealed to Step 4 and submitted to arbitration.

The Employer and the Union representative may endeavor to select a mutually acceptable arbitrator to hear and decide the grievance or may select an arbitrator in accordance with the Rules Established by the Bureau of Mediation Services. Absent any factors beyond the control of the Union or the Employer, the Union and the Employer shall select an arbitrator within ninety (90) calendar days from the date the union appeals the grievance to Step 4 of the grievance procedure. If no selection is made within this ninety (90) day timeframe, the

grievance shall be considered waived. However, no such waiver shall occur due to the failure of the Employer to engage in the selection process.

6.5 Arbitrator's Authority.

A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely upon the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union, provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings, the cost shall be shared equally.

6.6 Waiver.

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the Employer and the Union.

6.7 Choice of Remedy.

A grievance unresolved at Step 3 that involves a suspension, demotion or discharge of an employee who has completed the required probationary period may be appealed either to Step 4 of Article VI or a procedure such as Veterans Preference or other statutory proceeding. If appealed to any procedure other than Step 4, the grievance is not subject to the arbitration procedure as

provided in Step 4. The aggrieved employee shall elect in writing which procedure is to be utilized – Step 4 or another appeal procedure – and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4.

ARTICLE 7 – SAVINGS CLAUSE

In the event any provision of this Agreement shall be held to be contrary to law by a court of competent jurisdiction from those final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of the Agreement shall continue in full force and effect. The voided provision may be renegotiated at the request of either party.

ARTICLE 8 – WORK SCHEDULES

- 8.1 The sole authority to establish or modify work schedules is with the Employer.
- 8.2 The Employer will give seven (7) calendar days advance notice to employees affected by the establishment of permanent change in schedule.
- 8.3 Any employee directed to work outside of their assigned office shall begin their work day at the beginning of their travel to their unassigned office.

ARTICLE 9 – OVERTIME PAY AND COMPENSATORY TIME

- 9.1 All overtime must be approved in advance by the employee's supervisor. Hours worked by non-exempt employees in excess of forty (40) hours within a seven (7) day period (as determined by the Employer) will be compensated at one and one-half (1-1/2) times the employee's regular base pay.
- 9.2 The maximum number of hours that a non-exempt employee should work in any week is 37.5 hours. With supervisory approval, non-exempt employees may work up to two and a half (2.5) hours over the regular 37.5 hours which will be earned as compensatory time.
- 9.3 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded or paid twice for the same hours worked.
- 9.4 Non-exempt employees shall make arrangement through the agency's flex schedule policy for after hours appointments whenever possible. In the event of a public health emergency or a call back to the jail following the completion of a scheduled work day with supervisory approval, compensatory time shall be earned at time and a half (1.5).
- 9.5 Compensatory time taken must be approved in advance by the employee's immediate supervisor.

- 9.6 Compensatory time will be earned and taken in 30 minute increments at a minimum. The balance of compensatory time at the end of the payroll period shall never be more than 15 hours. Time in excess of 15 hours at the end of a payroll period shall be paid out to the employee at the employee's regular rate of pay. However, in the event a public health emergency is declared, the director may authorize employees to carry over compensatory time in excess of 15 hours for up to two (2) additional pay periods before the excess time is paid out.

ARTICLE 10 – DISCIPLINE

The Employer will discipline employees only for just cause. Discipline will be in one or more of the following forms, as appropriate to the circumstances: oral reprimand with written documentation, written reprimand, suspension, demotion or discharge.

ARTICLE 11 – PROBATIONARY PERIODS

- 11.1 All newly hired or rehired employees will serve an initial one-year probationary period.
- 11.2 At any time during the initial probationary period, a newly hired or rehired employee may be terminated at the sole discretion of the Employer. Such terminations shall not be subject to the grievance procedure.
- 11.3 All employees will serve a six (6) months probationary period in any job classification within the bargaining unit in which the employee has not served a probationary period. During the initial ninety (90) calendar day trial period, the employee may return to their prior position at their request and shall retain the job classification seniority upon reinstatement to the position previously held.
- 11.4 At any time during the six month bargaining unit probationary period, an employee promoted or reassigned may be demoted or reassigned to the employee's previous position at the sole discretion of the Employer. If an employee is returned to his or her prior position by the Employer during their bargaining unit probationary period, that employee shall retain job classification seniority upon reinstatement to the position previously held.
- 11.5 An employee who accepts a position outside of the bargaining unit shall retain his/her job classification seniority within the unit for a total period of ninety (90) calendar days during which either the employee or the Employer may return the employee to the employee's previous job classification. At the conclusion of the trial period, the employee's seniority rights under this Agreement shall terminate. Nothing in this provision shall be construed as modifying or impacting any probationary or trial period that is or may be required in the position outside of the bargaining unit.

- 11.6** Newly hired probationary employees may use accrued sick leave as it is earned. They may use accrued vacation leave after three (3) months of employment. Employees serving probationary periods in new job classifications shall be entitled to use all accrued paid leave time consistent with the terms of Article XV.

ARTICLE 12 – SENIORITY

- 12.1** In the event of layoff, employees will be laid off on the basis of job classification seniority. The Employer will endeavor to provide employees with as much notice of temporary layoff as reasonably practicable based upon the circumstances. Notification of permanent layoff will be three weeks.

The employee laid off shall then have the opportunity to bump the least senior employee in the job classification the employee most recently previously held, provided the employee has more seniority than the employee he/she intends to bump.

- 12.2** Recall from layoff will be on the basis of job classification seniority. Recall rights will continue for twelve (12) months after layoff. Recalled employees shall have ten (10) working days after notification of recall by registered mail at the employee's last known address to report to work or forfeit all recall rights.

No new employee shall be hired to work in classifications in which layoffs have occurred until all employees in those classifications on layoff status who wish to return have been recalled.

- 12.3** Seniority Lists. The Employer shall establish seniority lists by Employer and job classification seniority and will provide such lists to the Union upon request. The Union shall be notified of new hires within the bargaining unit, including job classification and rate of pay.
- 12.4** Seniority: Newly hired employees shall be placed on the seniority lists upon completion of probationary periods.
- 12.5** Employer seniority shall be used for the purpose of determining benefits.

ARTICLE 13 – JOB VACANCIES

- 13.1** Job vacancies within the agency will be posted within the agency for five (5) work days prior to being advertised publicly. Interested employees may submit application for a position after the Board approves the position to be filled, prior to the posting date. The Employer shall have the discretion to determine whether or not to seek outside applicants.

- 13.2 Employees selected to fill a position in a higher job classification shall be subject to the conditions of Article XI, Probationary Period.
- 13.3 The Employer has the right of final decision in the selection from all applicants (internal and external) to fill jobs based on qualifications, abilities and experience and to set initial salary. In the event that an initial salary is higher than the lowest paid employee in the job classification, the Union shall be notified in advance of the recommendation to the Board. The Employer shall meet and confer with the Union upon request and provide information regarding the experience and qualifications of the successful applicant and the reason for the wages/salary.

ARTICLE 14 – HEALTH, DENTAL, LTD (Long Term Disability) AND LIFE INSURANCE PLANS hereinafter called the Cafeteria Plan

The Employer will contribute up to a maximum of six hundred sixteen dollars (\$616.00) per month per employee for the cafeteria plan for employees taking single coverage. The Employer will contribute up to a maximum of nine hundred ninety one dollars (\$991.00) per month per employee to the cafeteria plan for employees taking dependent coverage. Employees are required to carry single or dependent health care coverage, LTD (long term disability) coverage, and life insurance using the maximum employer contributions stated above.

ARTICLE 15 – LEAVES

- 15.1 **Vacation Leave.** Full-time employees shall be granted paid time off as follows: Each permanent or probationary full-time employee shall earn, on the last working day of each payroll period:

3.7 hours of vacation leave for 1-5 years of service

5.55 hours of vacation leave for 6-9 years of service

6.45 hours of vacation leave for 10-14 years of service

7.35 hours of vacation leave for 15+ years of service

Vacation leave can accumulate to 224 hours. No time is accumulated after reaching the maximum. Vacation leave cannot be used during the first three months of full-time equivalency service. When taking vacation leave, the minimum increment that can be used is one-half hours. Vacation leave cannot be used until it is earned.

No vacation leave will accrue after the employee reaches 225 hours.

Requests for vacation leave must be made to the employee's supervisor in writing and must be authorized in advance by the supervisor in writing. In the absence of the employee's supervisor, the request may be made to another supervisor in Public Health, the Director of Business Management, or the Administrator.

Upon voluntary separation of employment, any employee who has six (6) months of satisfactory service will be paid for any accrued vacation leave that has not been used. Employees may not use more than three days during the last two weeks of employment. Employees terminated for misconduct shall not be entitled to be paid for accrued unused vacation leave. This shall not apply to employees terminated for poor work performance.

15.2 Medical Leave.

- a. Employees shall earn paid medical leave at the end of the payroll period at the rate of 3.7 hours.
- b. Paid medical leave will be prorated for part-time employees.
- c. Paid medical leave can be accumulated to a maximum of 450 working hours. No time is accumulated after reaching this maximum.
- d. Paid medical leave may not be used in the payroll period it is earned.
- e. When taking paid medical leave, the minimum increment that can be used is one-half hour.
- f. Employees shall use paid medical leave for FMLA leave purposes.
- g. Paid medical leave may be used for illness (self and immediate family), injury, medical and dental appointments. (Immediate family shall be spouse, children, parents, grandparents and legal wards) as prescribed by MN Statute 181.9413.
- h. The Employer may require medical documentation when three days of leave is used within a thirty (30) day period. Such documentation may consist of verification of doctor's or dental appointments without disclosure of diagnosis. The Employer reserves the right to require additional information, including medical information, in the event that there is a pattern indicating the possible abuse of sick leave.
- i. If any employee receives a compensable injury and has benefits accrued under sick leave, the employee may, at his/her option, request and receive sick leave to supplement the difference between his/her regular pay and Worker's Compensation. The total amount paid to the employee will not exceed his/her regular earnings.

When an employee cannot report to work due to an illness, the employee shall notify the receptionist so the employee's calendar can be updated. The receptionist should then notify the supervisor so that unit coverage is ensured. Medical leave due to preplanned medical appointments must be approved by the employee's supervisor in the same manner as vacation.

Employees may not use medical leave during the last two weeks of employment after submitting their resignation, except in the case of accident, injury or documented illness of the employee.

15.3 PAID MEDICAL LEAVE DURING VACATION LEAVE

When illness occurs within a period of vacation leave, the period of illness may be charged as paid medical leave and the charge against vacation leave reduced accordingly except when the employee has submitted their resignation.

15.4 FAMILY MEDICAL LEAVE ACT (FMLA) leave will be provided as required by law.

A "rolling forward" period of time for FMLA leave shall be used. Employees must use accumulated paid leave during FMLA leave. Employees may hold up to 37.5 hours of sick leave to be available upon return from leave. Employees will provide written notification to their supervisor of their intent to bank sick leave prior to FMLA leave.

15.5 STATUTORY LEAVES – Military leave, bone marrow donation, jury duty, and other statutory leaves will be provided by as required by law, and may be enhanced but not diminished by SWHHS policy.

15.6 BEREAVEMENT LEAVE

Each employee shall have up to 30 hours noncumulative annual bereavement leave in the event of the death of the employee's parents, children, spouse, siblings, legal wards, grandparents, grandchildren, nieces, nephews, and spouse's parents. Such days shall be with pay and shall not be deducted from sick leave or vacation balances. Such leave must be taken in a minimum of ½ hour (.5) increments.

Upon exhaustion of the noncumulative bereavement leave and approval of their supervisor, an employee may use up to three (3) days of medical leave for bereavement of a parent, children, spouse, sibling, legal ward, grandparent, grandchildren, nieces, nephews, and spouse's parents.

Reasonable leave time without loss of pay will be allowed to attend a funeral of current staff members or former staff members who have left the agency within the last two years.

In the event of a death in the family, the employee shall inform the supervisor in the same manner as for sick leave.

15.7 MEDICAL LEAVE SEVERANCE (Pre-7/1/2011 Employees)

Upon severance of employment under this CBA (SWHHS Public Health) with five (5) to ten (10) years of service, the employee shall be compensated at his/her current rate of pay an amount equal to 25% of the unused accrued sick leave available to the employee's credit to the date of separation. For eleven (11) to twenty (20) years of service, the employee will receive 35%, and for over twenty-one (21) years of service, the employee will receive 45%. In cases of death while still employed, the severance pay shall be paid to the employee's estate.

Employees hired after July 1, 2011 by Southwest Health and Human Services (Public Health) are not eligible for medical leave severance.

15.8 UNION LEAVE

Union Leave – Upon written request by the Union, unpaid leave shall be granted for up to a maximum of three (3) employees selected by the union to do Union business for up to a maximum of five (5) days per year.

ARTICLE 16 – HOLIDAYS

16.1 Employees shall receive the following ten and one-half* (10.5*) holidays:

New Year's Day	Veterans Day
Martin Luther King Day	Thanksgiving Day
President's Day	Day after Thanksgiving
Memorial Day	Christmas Eve Day at noon if Dec 24th falls
Independence Day	on Tuesday, Wednesday or Thursday
Labor Day	Christmas Day

***When Christmas Eve falls on a Monday, 7.5 hours of Holiday will be observed.**

16.2 Non-exempt employees required to work on holidays shall be paid one and one-half (1-1/2) times the employee's base pay rate for hours worked. This is in addition to the employee's base pay. In all cases where a non-exempt employee is required to work on a holiday and such hours are in excess of forty (40) hours per week, Article 9 shall apply.

16.3 In the event that a holiday falls on a Sunday, the following Monday shall be a paid holiday, and if any of these falls on a Saturday, the preceding Friday shall be a paid holiday.

16.4 Employees shall be required to work their last regularly scheduled work day prior to the holiday and their next regularly scheduled work day after the holiday to qualify for holiday pay, unless the employee is absent due to illness, accident, is on vacation, or due to the death in the employee's immediate family.

ARTICLE 17 – LEAVES OF ABSENCE

Leaves of absence will be provided as per law or Southwest Health and Human Services Policy.

In the event that the Employer makes changes to its policies which affect a mandatory subject of bargaining, the Union shall promptly notify the Employer if it is interested in negotiating regarding such subject (s).

ARTICLE 18 – PART-TIME EMPLOYEES

Part-time employees shall be eligible for prorated holidays, medical leave, and vacation benefits under this Agreement.

ARTICLE 19 – COMPENSATION

19.1 Professional Licensure: The Employer will pay for one-half of any professional licensing fees when the license is required for the job. This does not include application or late fees.

19.2 Employees shall be paid in accordance with Attachment A.

19.3 Notwithstanding any provision for the continuation of the Agreement following the expiration of the term pursuant to PELRA, steps on any wage schedule shall not be automatic. The Employer reserves the right to deny or withhold steps following the expiration of the term of this Agreement.

ARTICLE 20 – SAFETY

The Employer and the Union agree to jointly promote safe and healthful working conditions, to cooperate in safety matters, and to encourage employees to work in a safe manner.

A copy of the Safety Policy shall be available online to all employees.

Employees shall report unsafe conditions to one of the Safety Committee Chairpersons and/or the Administrator.

ARTICLE 21 – GENERAL PROVISION

SWHHS policies regarding the general terms and conditions of employment shall be applied, including but not limited to such matters as, expense reimbursement, flex schedule, telecommuting, inclement weather, community service participation, and use of agency vehicles.

In the event that the Employer makes changes to its policies which affect a mandatory subject of bargaining, the Union shall promptly notify the Employer if it is interested in negotiating regarding such subject(s).

ARTICLE 22 – WAIVER

22.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.

22.2 The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this Agreement for the stipulated duration of this Agreement.

ARTICLE 23 – DURATION

This Agreement shall be effective as of January 1, 2015 and shall remain in full force and effect until the 31st day of December, 2015. It shall be automatically renewed from year to year thereafter, unless either party shall notify the other party in writing prior to date of expiration that it desires to modify this agreement. This Contract shall remain in full force and effect during the period of such negotiations.

FOR SOUTHWEST HEALTH AND HUMAN SERVICES

FOR AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES

Christopher Sorensen, Director

Kara Miller, Union President

Dated _____

Dated _____

Board Chairperson

Serena Vergin, AFSCME Representative

Dated _____

Dated _____

APPENDIX A
2015 Compensation

For 2015, non-exempt employees shall be granted up to a 4.5% increase to their 2014 hourly wage. Exempt employees shall be granted up to a 4.5% increase to their 2014 annual salary.

2015 increases shall be based upon the performance evaluation tool. Evaluations will be subject to the grievance process up through Step 2.

Employees successfully completing their initial probationary period in 2015 will receive a 1% increase.

APPENDIX B
Leave Time Transfers for New County Partners to the Southwest Health and Human Services Joint Powers Organization

The Union and the Employer agree that the Employer may enter into agreements to allow the transfer of up to the maximum medical leave and vacation leave balances set forth in this Agreement for employees of new JPA members as long as the joining partner county compensates SWHHS fully for the transferred time. Nothing in this Agreement shall allow employees of new member counties to file grievances related to the amount of leave transferred pursuant to any agreement between the Employer and their member county/prior employer.