



| KERN HEALTH SYSTEMS POLICY AND PROCEDURES | | | |
|--|---|--------------------------------|------------|
| Policy Title | Grant Programs | Policy # | 4.37-P |
| Policy Owner | Provider Network Management | Original Effective Date | 02/25/2016 |
| Revision Effective Date | 12/19/2024 | Approval Date | 04/18/2025 |
| Line of Business | <input checked="" type="checkbox"/> Medi-Cal <input type="checkbox"/> Medicare <input type="checkbox"/> Corporate | | |

I. PURPOSE

This policy will outline the process and requirements for creating and managing grant programs that support local healthcare initiatives.

II. POLICY

- A. In an effort to promote local healthcare initiatives, Kern Health Systems (KHS) may develop and establish goal-orientated grant programs. All grant programs with the intent to distribute funds must be submitted for review to the Senior Director of Provider Network or designee and must be approved by KHS' Chief Executive Officer (CEO), Finance Committee and Board of Directors. The grant program shall establish an application and reporting requirements in an effort to meet outlined scope of work.

III. DEFINITIONS

| TERMS | DEFINITIONS |
|-------|-------------|
| N/A | |

IV. PROCEDURES

A. DISTRIBUTION OF GRANTS

1. Development

Development of grant programs will reside with the Provider Network Management Department and the Senior Director of Provider Network. Development can include but is not limited to establishing program/goals, outlining requirements and project timeline, arranging allocation of grant funds, and creating reporting methodology.

Upon completion of grant program development, grant program will be presented to KHS Finance Board and Board of Directors for review and approval.

2. Application

Application, submission guidelines, and requirements for grant participants will be established during development stage and will be dependent on requirements of proposed grant program.

Application should include, but is not limited to:

- a. Applicant/Organization Information
- b. Scope of Work
- c. Proposed Budget
- d. Annual Fiscal Audit
- e. 501 © (3) or Tax Status Designation

Upon approval of grant program by the KHS CEO, and Board of Directors, KHS will publish grant program and if applicable, begin accepting participant applications. All applications will be reviewed by the Senior Director of Provider Network, Deputy Director of Grants and Special Programs and internal Grant Committee, then submitted for final approval to KHS CEO.

3. Grant Agreement/Distribution of Funds

Upon approval, grant awardees will be notified by the Provider Network Management Department of Grants and Special Programs. Providers/Community Based Organizations will enter into a Grant Agreement, attached herein as Attachment A: Grant Agreement Template, with KHS detailing Term of Agreement, Condition and Terms, Purpose of Program, disbursement of funding, corrective action and termination, monitoring, Indemnification, Acknowledgement and Communication, No Right of Assignment or Delegation, Amendment, Compliance with Applicable Law, Sustainability, Entire Agreement, Choice of Law and Dispute Resolution, Third Party Beneficiaries, Severability, Waiver, and Notices. Upon execution of grant agreement, KHS will distribute funds to grantee in the manner established in grant agreement.

Grant Agreement Template will be customized with needs of Grant Programs.

4. Reporting

Grant program reporting methodology will be established during development stage and will be dependent on proposed grant goals. Participants will report to KHS on grant activity on an appropriate periodic basis; reporting, shall include, at a minimum:

- a. Progress Report: Narrative of progress of proposed project
- b. Financial Report: Detailed use of grant funds.

V. ATTACHMENTS

| |
|--|
| Attachment A: Grant Agreement Template |
| Attachment B: Grant Application Template |

VI. REFERENCES

| Reference Type | Specific Reference |
|-----------------|--------------------|
| Choose an item. | |

VII. REVISION HISTORY

| Action | Date | Brief Description of Updates | Author |
|-----------|---------|--|--------|
| Revised | 2024-12 | Routine update requested by Compliance Department. | PNM |
| Revised | 2020-01 | Routine update requested by Compliance Department. | PNM |
| Effective | 2016-02 | Policy created to establish guidelines for distribution of KHS funds in order to promote goal orientated grant Programs and to satisfy the Department of Managed Health request per Quarterly Medi-Cal Network Assessment Q2'15 comment letter dated 12/30/15, page # 4. | PNM |

VIII. APPROVALS

| Committees Board (if applicable) | Date Reviewed | Date Approved |
|------------------------------------|---------------|---------------|
| Choose an item. | | |

| Regulatory Agencies (if applicable) | Date Reviewed | Date Approved |
|-------------------------------------|---------------|---------------|
| Choose an item. | | |

| Chief Executive Leadership Approval * | | |
|--|------------------|----------------------|
| Title | Signature | Date Approved |
| Chief Executive Officer | | |
| Chief Operating Officer | | |
| Chief Medical Officer | | |
| Chief Financial Officer | | |
| Chief Health Equity Officer | | |
| Chief Compliance and Fraud Prevention Officer | | |
| *Signatures are kept on file for reference but will not be on the published copy | | |



Policy and Procedure Review

KHS Policy & Procedure: 4.37-P Grant Programs

Last approved version: 3/6/2020

Reason for revision: Routine update requested by Compliance Department.

| Director Approval | | |
|---|-----------|---------------|
| Title | Signature | Date Approved |
| Amisha Pannu Senior Director of Provider Network | | |
| Veronica Barker Controller | | |

Date posted to public drive: _____

Date posted to website ("P" policies only): _____

KERN HEALTH SYSTEMS

[GRANT NAME]

GRANT AGREEMENT

WITH

[PROVIDER NAME]

**KERN HEALTH SYSTEMS
[]
GRANT AGREEMENT**

The [] Agreement (“Grant Agreement”) is made and entered into by and between Kern Health Systems, a county health authority (hereinafter “KHS”), and [], as described in Exhibit A, (hereinafter “Grantee”).

RECITALS

WHEREAS, KHS and Grantee desire to enter into a Grant Agreement whereby Grantee agrees to provide or arrange for the provision of [Grant Name] services to Members of KHS;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, it is hereby agreed as follows:

I. Purpose of the Grant

KHS is committed to maintaining a strong, adequate, and diverse network of Primary Care Physicians (PCP), Specialty Care Physicians (SCP), and ancillary providers in order to ensure quality access to KHS Members. KHS is making Grant Funding available to assist network providers in exploring ways to implement quality care programs and services to meet the needs of KHS Members throughout Kern County. The goal of KHS is to provide Grant Funding for innovative ideas and creation of [Grant Name].

II. Term of Grant Agreement

This Grant Agreement shall become effective on the date set forth in Exhibit B, Scope of Work and shall be referred as “Effective Date”. Unless otherwise specified herein, this Grant Agreement shall not automatically renew.

III. Conditions and Terms of the Grant

- A. As a condition of receiving this Grant Funding, Grantee represents and warrants that Grantee or any of its Principals:
1. Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency or from participating in any state or federal healthcare programs;
 2. Have not, within a three (3) year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) contract or subcontract.

- B. As a condition of Grant Funding, Grantee represents that it is: (1) a licensed free or community clinic, a public agency, or a tax-exempt 501(c) (3) entity; or (2) a KHS contracted provider group; and (3) a provider to Medi-Cal or uninsured patients; and (4) located in and primarily serving people in Kern County; and (5) contracted KHS provider must be in good standing and meet all KHS Credentialing Requirements.
- C. Grantee shall forward reports to KHS in accordance with the terms outlined in Exhibit D, Reporting Requirements. All the reports should document progress made during those reporting periods in accordance with the attached Exhibit B, Scope of Work, and Exhibit C, Budget. Grantee will also report on activities carried out in compliance with Section VIII, Acknowledgement and Communication Requirements. Failure to submit timely and complete reports may impact receipt of Grant Funding under this Grant Agreement. Refer to Exhibit D, Reporting Requirements for a complete list of reports.
- D. Grantee shall submit two (2) original copies of this Grant Agreement signed by authorized representatives of Grantee and one copy of Grantee's IRS Form W-9, if not previously provided to KHS.

IV. Disbursement of Grant Funding

This Grant Funding will be disbursed to Grantee as indicated below.

- A. Grantee will be eligible to receive Grant Funding in an amount not to exceed [Funding Amount] over a [Grant Period] period. Grant Funding will be disbursed on a monthly basis to operationalize the Provider Quality Care Program. Grantee will submit monthly invoices, based on actual expenses. Refer to Exhibit D, Reporting Requirements, for a template of the Monthly Progress Report.
 - 1. Invoice required for Capital Expenses greater than \$XXX/unit
 - 2. Details required for Operating Expenses greater than \$XXX/unit
- B. KHS shall make any disbursement within sixty (60) days following the receipt of complete monthly reports as outlined in Exhibit D, Reporting Requirements.

Expenditure of Grant Funding must be consistent with the approved grant budget, attached as Exhibit C, Budget, and shall be used exclusively for KHS Members. Revisions of the Grant Agreement budget must be requested in writing when changes, in any line item, are projected to be above X (X %) of the approved budget.

Notwithstanding the provisions of this Section IV, KHS will not make any disbursement of the Grant Funding unless Grantee is in compliance with all of the terms and conditions of the Grant Agreement, and only as long as the disbursement of Grant Funding: (1) will not violate any provision of law, regulation, or administrative ruling to which KHS is subject; and (2) will not subject KHS to any tax, penalty or fine.

V. Sustainability Plan

Provider shall ensure, upon signing the agreement, that the program remains viable and sustainable for a minimum period of three years following the depletion of Program Funding. The Provider agrees to implement a sustainability plan outlining specific strategies to continue the program's operations, secure alternative funding sources, and ensure long-term programmatic success. The Provider shall submit regular updates on the progress of these efforts to Kern Health Systems. Refer to Exhibit D: Reporting Requirements & Provider Responsibilities.

Failure to Maintain Sustainability: In the event that the Provider fails to ensure the continued viability and sustainability of the program for the three-year period, said failure will be deemed a material breach of this agreement and Kern Health Systems reserves the right to take corrective actions, including but not limited to:

- A. **Withholding Future Funding:** If the program does not meet sustainability targets, Kern Health Systems may withhold further payments or assistance until a corrective action plan is submitted and approved by Kern Health Systems.
- B. **Repayment of Funds:** Should the Provider fail to demonstrate reasonable efforts to ensure the program's sustainability or breach the terms related to long-term viability, Kern Health Systems may demand the repayment of all or a portion of the funding awarded, particularly if the program's failure to sustain operations results in significant loss of intended outcomes.
- C. **Termination of Agreement:** If the Provider is unable to fulfill the sustainability plan, Kern Health Systems may terminate this Agreement and Provider will not be issued remaining awarded funds.

VI. Default, Termination

- A. KHS will not be obligated to disburse any Grant Funding, if at the time of the disbursement, Grantee is in default under the terms of any agreement providing funding from KHS. KHS, at its sole discretion, may terminate the Grant Agreement and KHS will be under no further obligation to extend Grant Funding should Grant disbursement be used for any purpose other than those specified under this Grant Agreement. KHS, in its sole discretion, may terminate the Grant Agreement at any time without any further obligation to the Grantee if: (1) in KHS' judgment, the Grantee becomes unable to carry out the purposes of the Grant Agreement; and/or (2) the Grantee fails to comply with the conditions of this Grant Agreement; and/or (3) KHS' anticipated funds designated to support

this Grant Agreement are substantially reduced or discontinued. If the Grant Agreement is terminated prior to the end of the Grant Agreement terms above, the Grantee shall reimburse KHS the full monetary value of the Grant Funding as specified in this Grant Agreement.

- B. Immediate Termination by KHS. This Grant Agreement may be terminated immediately for cause by KHS. Cause for termination shall be:
1. Any act for which Grantee's license, certification, Controlled Substance Permit, medical staff membership or clinical privileges at a Participating Hospital is revoked, suspended or restricted in a manner that might materially affect Grantee's ability to provide Covered Services.
 2. A violation of any law or regulation that materially impairs Grantee's ability to perform this Grant Agreement.
 3. Conviction of a felony or any crime related to the practice of Grantee's profession.
 4. Failure to maintain Grantee's insurance as required by this Grant Agreement or the Knox-Keene Act.
- C. Termination without cause. This Grant Agreement may be terminated by either party, without cause, by giving thirty (30) days- written notice to the other party. Termination shall be effective at 12:01 a.m. on the 30th day.

VII. Monitoring

KHS reserves the right to monitor and conduct an evaluation of the project operations funded by the Grant Agreement. This monitoring may include but is not limited to, the following: (1) a site visit by KHS personnel upon reasonable notice to review the progress, pertinent records, and/or subcontracts related to the Project; (2) review of materials related to the Project and other activities; and (3) review of any other activity related to this Agreement. KHS reserves the right to audit all financial records pertaining to this Agreement. Records shall be retained by Provider for at least five (5) years after the termination of the Contract Term.

VIII. Indemnification

Provider agrees to indemnify, defend and hold KHS and KHS' officers, directors, employees, agents, and authorized representatives harmless from and against any and all losses, liabilities, charges, damages, administrative penalties or sanctions, awards, claims, or costs and expenses (including, but not limited to, reasonable attorneys' fees and costs, expert fees, costs of staff time, and investigation costs) of whatever kind or nature such as a claim for damages arising as a result of Provider's performance or nonperformance or actions undertaken pursuant to this Agreement, including, but not limited to, any loss by KHS due to the acts or omissions of Provider in the performance of this Agreement, or any loss related to the purchase, maintenance, or use of any instrumentality, e.g. a motor vehicle, for which Funds provided to Provider by KHS were used to purchase said instrumentality.

IX. Acknowledgement and Communication

- A. In all written materials for public distribution prepared in accordance with project activities funded by this Grant Agreement, Grantee shall include the following statement:
“This project is funded in part by Kern Health Systems to implement Provider Quality Care Programs and services to meet the needs of KHS Members throughout Kern County”
- B. During the term of this Grant Agreement, Grantee must name Kern Health Systems as grantor in all communications relating to this project and must acknowledge KHS at all fundraising events as a sponsor of this project.
- C. If applicable to this Grant Agreement, permanent signage recognizing Kern Health Systems will be posted in a conspicuous location at or near the entrance of any site that uses KHS funds to improve its physical plant; this signage will recognize Kern Health Systems as a founding donor or language to that effect. In using any KHS trademarks or logos, Grantee shall comply with KHS’ branding policies.
- D. If mutually agreed, KHS and Grantee will prepare and issue joint press releases that recognize KHS’ contribution and its importance in addressing community needs.
- E. KHS will include information regarding the grants on KHS’ external website.
- F. Grantee will report on all the above listed activities in the reports required by and in accordance with the schedule determined at the time the Grant Funding is awarded.

X. No Right of Assignment or Delegation

Grantee may not assign or otherwise transfer its rights or delegate any of its obligations under this Grant Agreement, with the exception of any needed subcontractors, which shall agree to be bound by all applicable terms and conditions of the Grant Agreement. Any such assignment shall be null and void *ab initio* and is considered a material breach of this Grant Agreement.

XI. Validity and Amendment

If any term or part of any term or condition of this Grant Agreement is determined to be invalid it shall not affect the validity of the other terms and conditions. This Grant Agreement can be modified by an amendment written and authorized by representatives of KHS and Grantee upon written request.

XII. Compliance with Applicable Law

To the extent applicable to this Agreement and the duties, rights, and privileges hereunder, Provider agrees to comply with all applicable federal, State, county, and local statutes, rules, regulations, and ordinances, including, but not limited to, the Knox-Keene Act and its implementing regulations, Welfare and Institutions Code and its implementing regulations, the Social Security Act and its implementing regulations, the Health Insurance Portability and Accountability Act (“HIPAA”) and its implementing regulations, the Health Information Technology for Economic and Clinical Health (“HITECH”) Act, the Deficit Reduction Act of 2005 and its implementing regulations, the Federal Patient Protection and Affordable Care Act (Public Law 111-148) as amended by the Federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) (collectively, “Affordable Care Act”), the California Consumer Privacy Act of 2018 and its implementing regulations, the California Confidentiality of Medical Information Act; H&S Code section 1340 et seq. (unless excluded under the Medi-Cal Contract); 28 CCR section 1300.43 et seq.; W&I Code sections 14000 and 14200 et seq.; and 22 CCR sections 53800 et seq., 22 CCR sections 53900 et seq., DHCS Medi-Cal Provider Manual; the Medi-Cal Contract between DHCS and KHS; all DHCS and other regulatory agency guidance, sub-regulatory guidance, executive orders, instructions, All Plan Letters (“APL(s)”), bulletins, and policies; and all standards, rules, and regulations of accreditation organizations.

XIII. Entire Agreement

This Agreement, the Exhibits to this Agreement, are incorporated by reference herein and represent the complete, total and final understanding of the Parties, and no other understanding or representations, oral or written, regarding the subject matter of this Agreement, shall be deemed to exist or to bind the Parties hereto at the time of execution.

XIV. Choice of Law and Dispute Resolution

- A. This Agreement shall be construed according to the laws of the State of California, without regard to its provisions regarding conflict of laws.
- B. The Parties shall attempt to resolve disputes informally and in good faith.
- C. If parties are unable to resolve a dispute informally, either party may submit a request for resolution to DHCS. The requesting party shall provide the other party with five (5) business days’ advance notice of its intent to submit a request for resolution.
- D. Notwithstanding the above provisions, after exhaustion of all applicable KHS procedures, any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be arbitrated pursuant to Chapter 3, Code of Civil Procedure section 1280 et seq. Such arbitration shall occur within the County of

Kern, State of California, unless the Parties mutually agree to another location. The Parties shall share the cost of the arbitrator(s) equally and no Party shall be entitled to recover attorney's fees or costs from any other Party. This Paragraph shall not prevent either Party from seeking or obtaining injunctive relief in addition to other relief available in law or equity. Prior to initiating arbitration and notwithstanding the dispute resolution process stated herein, Provider shall comply with the requirements of the Government Claims Act, Government Code sections 810 et seq.

XV. Third Party Beneficiaries

There are no third-party beneficiaries to this Agreement. The Agreement may only be enforced by the Parties.

XVI. Severability

If any provision of this Agreement is found to be illegal or unenforceable, the remaining provisions of the Agreement shall nevertheless remain in full force and effect and the illegal or unenforceable provision shall be stricken.

XVII. Waiver

No waiver of a breach of any provision of this Agreement shall be effective unless it is written and signed by the party against whom it runs. No waiver shall be deemed a waiver of any prior, concurrent, or subsequent breach of the same provision, of a different provision, or any other matter.

XVIII. Notices

Any notices required or permitted to be given shall be in writing and shall be deemed delivered upon personal delivery; twenty-four (24) hours following deposit with a courier for overnight delivery; or seventy-two (72) hours following deposit in the U.S. Mail, registered or certified mail, postage prepaid, return-receipt requested, addressed to the parties at the following addresses or to such other addresses as the parties may specify in writing:

To KHS: Kern Health Systems
 Attn.: Emily Duran
 2900 Buck Owens Blvd.
 Bakersfield, CA 93308

To Provider: [PROVIDER]
 Attn.: Contact Name, Title
 Street Address
 City, State Zip

[Signatures follow on next page]

XIX. Authorized Signature

This Grant Agreement correctly sets forth Grantee’s understanding of the terms and conditions of the Grant Agreement. Grantee accepts this Grant Agreement by having an authorized individual sign and date in the spaces provided below.

By their signatures below, the signatories represent and warrant that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

KERN HEALTH SYSTEMS

[PROVIDER]

SIGNATURE: _____

SIGNATURE: _____

PRINT NAME: Emily Duran

PRINT NAME: _____

TITLE: Chief Executive Officer

TITLE: _____

DATE: _____

DATE: _____

EXHIBIT A

GRANTEE SPECIFICATIONS

Grantee information

Name: _____

Tax ID: _____

Location services will be provided

Address: _____

City: _____

State: _____

Zip: _____

Days and hours of operation: _____

Grantee contact information for location services will be provided

Name: _____

Phone: _____

Fax: _____

EXHIBIT B

SCOPE OF WORK

The Scope of Work represented by Grantee to include all tasks, completion timelines, assigned responsible parties, deliverables and deadlines covering the period between [] and inception of the [Grant Name] is to be created and agreed upon by both parties no later than [].

EXHIBIT C

BUDGET

Grantee will be eligible to receive Grant Funding in an amount not to exceed one [amount funded] over a [] period.

EXHIBIT D

REPORTING REQUIREMENTS

Grantee shall provide KHS monthly reports by the fifteenth (15th) day of the following month.

Reports shall include but are not limited to:

- A. Progress report: Narrative of measured progress of proposed project, template attached
- B. Monthly Progress Report: Detailed Expenses being requested for reimbursement, template attached



CONTRACTING ORGANIZATION/AGENCY INFORMATION

[Project Goals]

What is the geographic area that the project will serve?

Kern Health Systems Grant: Scope of Work

I. WORKPLAN

Please describe your proposed project by completing the chart below. Include as many measurable objectives and specific details as possible. Please be sure information detailed in this section corresponds to the project and budget narrative.

Organization Name:

Project Name:

Project Period

Contact Name: Contact Phone:

| | | | | | |
|---|------------|---|-----------------|---------------------|----------------------|
| Use the following table to summarize your proposal. You may replicate and expand as needed. | | | | | |
| Project Goal: | | | | | |
| Target Population: | | Estimated Number of KHS members served: | | | |
| | | Timeline | | Expected Outcome(s) | Evaluation Method(s) |
| Major Tasks | Activities | Start Date | Target End Date | | |
| | | | | | |

Kern Health Systems Grant: Proposed Budget

BUDGET: Complete template below and provide justification for each item in a separate written narrative.

| | |
|--------------------------------|--|
| Organization Name: | |
| Project Period: | |
| Project Title: | |
| Budget Contact Name and Phone: | |

| PROJECT BUDGET | TOTAL BUDGET | Other Revenue Sources | In-Kind (if applicable) | Request from Kern Health Systems |
|--|--------------|-----------------------|-------------------------|----------------------------------|
| PERSONNEL/STAFFING EXPENSES (List title and % FTE on project) | | | | |
| | | | | |
| | | | | |
| Benefits (_____% of Personnel) | | | | |
| | | | | |
| Total Personnel | | | | |
| OPERATING EXPENSES | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL OPERATING EXPENSE | | | | |
| OTHER COSTS | | | | |
| | | | | |
| | | | | |
| TOTAL EXPENSES (Personnel + Operating + Other Costs) | | | | |