

# **PURCHASE OF SERVICES MODEL CONTRACT LANGUAGE AND INSTRUCTIONS**

**November 2002**

**Effective for contracts for periods beginning after 12/31/02**

Contract development and administration is an important financial management activity in today's human services environment. The Department of Health Services (previously the Department of Health and Family Services) and most counties employ increasing numbers of contracts with a diversity of providers as a major mechanism for providing services to clients.

To assist counties in effectively performing this activity while also promoting compliance with applicable state and federal regulations, the Department has developed model language for Purchase of Service contracts and instructions.

The current version also adopts the concept that the base contract should be able to cover most aspects of most contracts fairly well, but appendices to the base contract will be used when a contract needs to cover specific requirements applicable to certain contracts for individual programs. One such appendix is the "Business Associate Agreement," which is required when the Purchaser determines that the Provider is a Business Associate under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- [Base Model Contract Instructions](#) (PDF file, 89 KB)
- Base Model Contract (Updated 11/02 for HIPAA requirements)
  - HIPAA Business Associate Agreement and changes to 2003 Purchase of Services Model Contract ([Word](#))
  - Model Contract (Revised 11/02 to include new Section XV and new addendum for HIPAA as well as to incorporate audit language revised in 1999)

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