



Strengthening the Safety Net Conditions of Grant

By signing and submitting an application for funding in response to the request for proposals (“the RFA”) issued by Blue Cross Blue Shield of Michigan (“Blue Cross”), all applicants accept and agree to comply with the terms and conditions outlined below in the event a grant is awarded.

1. Purpose and administration. The grant shall be used exclusively for the purposes specified in the RFA and the grantee’s application or proposal. Grantee agrees not to deviate from the original spending plan without prior approval from Blue Cross. In the event that grant funds are not used for approved purposes within one month after the end of the grant period (or within any approved extension of said time period), the unspent funds shall be returned to Blue Cross. Grantees must contact Blue Cross no later than two months before the end of the grant cycle if any unspent grant funds are not yet committed, and work with Blue Cross to develop an approved plan to use remaining funds in a timely manner consistent with the grant program.

The grantee will directly administer the project or program being supported by the grant and agrees that no grant funds shall be disbursed to any organization or entity, whether or not formed by the grantee, other than as specifically set forth in the grant proposal referred to above. If the grantee organization or a grant partner may be affected by closure or merger, the grantee must notify Blue Cross as soon as possible and work with Blue Cross to develop an approved plan to transfer grant-supported assets in a manner consistent with the grant program.

All copyright interests in materials produced by grantee as a result of this grant are owned by the grantee. Blue Cross, however, retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, use in modified form (e.g., shortened, summarized or abbreviated) or otherwise use and to authorize use of any such materials for any lawful purpose in furtherance of Blue Cross’ mission to enhance quality, control cost, and improve access to health care in Michigan. Notice will be provided to the grantee should Blue Cross use or authorize the use of such materials.

2. Contracting. No part of the grant shall be used for a grant contract or subcontract to another person or organization without prior written approval of Blue Cross.



A nonprofit corporation and independent licensee
of the Blue Cross and Blue Shield Association

3. Budget. Expenditures of the grant funds must adhere to the specific line items in the grantee's approved grant budget. Transfers among approved line items of up to 10 percent of the total award are allowed.
4. Match. Grantees that are awarded medical home funding are required to match the award with at least \$10,000 from a donor and submit a letter of commitment from the donor as evidence of the match. These funds should be new to the clinic and designated for the medical home services.
5. Accounting and audit. A systematic record on a fund-accounting basis shall be kept by the grantee of the receipt and disbursement of funds and expenditures incurred under the terms of the grant. The substantiating documents such as bills, invoices, canceled checks, receipts, etc., shall be retained in the grantee's files for a period of not less than four years from the date of the expiration of the grant period or earlier termination of the grant by Blue Cross. The grantee agrees to promptly furnish Blue Cross with copies of such documents upon request and without charge to Blue Cross.

Blue Cross, at its expense, may audit or have audited the records of the grantee insofar as they relate to the disposition of funds granted by Blue Cross, and the grantee shall provide all necessary assistance in connection there with without charge to Blue Cross. Blue Cross may randomly select projects for ad hoc or routine audits.

6. Reports and site visits. Narrative, financial and other data reports shall be furnished by the grantee to Blue Cross according to the schedule set forth early in the grant period. The narrative report should briefly summarize the objective of the project; describe grant-related activities and progress made toward achieving the grant's objectives; and discuss any problems or obstacles encountered including the strategy used to resolve the problems. The financial report shall show, for each line item: the original project budget, the balance carried forward at the beginning of the report period, the amount expended against each line item for the current period and the resulting balance remaining in each line. The report should include a total for each column. The final report shall be presented to Blue Cross within 30 days of the end of the grant period. The final report must be approved by Blue Cross. Blue Cross will not approve reports that are incomplete or not provided in the correct format. This will jeopardize subsequent payments to the grantee. Blue Cross may, at its expense, monitor and conduct an evaluation of operations under the grant. This may include visits by representatives of Blue Cross or its designees to observe the grantee's program procedures and operations and to discuss the program with the grantee's personnel.
7. Public reporting. The grantee may be asked to review and approve a project summary briefly describing the grantee's activity which will be used by Blue Cross to respond to inquiries and

for other public information purposes. Blue Cross may use the grantee's name at any time in discussing Blue Cross social mission efforts with or without the grantee's prior knowledge. Moreover, the grantee will cooperate with Blue Cross fully in its efforts to promote the grant program to the media, the public and other constituents. All publications, press releases, annual reports or other announcements prepared by the grantee must refer to the full name of the grantor as Blue Cross Blue Shield of Michigan.

8. Grant reversion and termination. If the grant is intended to support a specific project or to provide support for a specific period of time, any portion of the grant not expended at the completion of the project and the end of the relevant time period (or any authorized extension thereof) shall be returned to Blue Cross within 15 days. Blue Cross may, for its sole convenience and with or without cause, cancel a grant in whole or part, at any time by giving the grantee 30 days written notice of its intention to do so. In the event of such termination, the grantee will be entitled to recover all approved project costs incurred prior to date of termination. If the grant is terminated prior to the scheduled completion date, the grantee shall, upon request of Blue Cross, provide to Blue Cross a full accounting of the receipt and disbursement of the funds and expenditures incurred under the grant as of the effective date of termination. The grantee shall repay within 30 days after written request by Blue Cross all grant funds not expended as of the effective date of termination and all grant funds expended for purposes or items allocable to the period of time subsequent to the effective date of termination.
9. Limitations and changes. It is expressly understood that Blue Cross or any of its subsidiaries, by making this grant, have no obligation to provide support to the grantee for purposes of this project or any other purposes. Any changes, additions or deletions to the conditions of the grant must be made in writing only and must be approved by Blue Cross. If the grant is awarded, Blue Cross agrees to fund projects for the period specified in the RFA. Blue Cross will review requests for funding for subsequent periods and approve or deny such requests as it deems appropriate.
10. Indemnification. The grantee agrees to indemnify, defend and hold harmless Blue Cross and its trustees, directors, officers, agents and employees from and against all claims, losses, damages, liabilities, costs, expenses, judgments, causes of action and obligations whatsoever, including all costs and reasonable attorney fees, incurred for or in connection with an injury, death or damage to any business entity, person or property, arising out of, resulting from, or in any way connected with the negligence or wrongful acts, errors, omissions, incompetence, malpractice, misfeasance and/or malfeasance of the grantee or any entity or person associated with the grantee including but not limited to employees, officers, contractors,

agents and volunteers which may be filed or alleged in connection with the grantee's performance of the responsibilities described in the RFA and/or subsequent grant documents.

NOTE: If a grant is awarded, additional terms and conditions described in the grant application or memoranda accompanying payment may be incorporated by reference into this "Conditions of Grant" document.