

## **SETTLEMENT AGREEMENT**

This agreement is made between the Commonwealth of Pennsylvania, Department of Human Services (formerly known as the Department of Public Welfare, hereafter “DHS”), and the entities identified in paragraph 1 (hereafter “Appellants”), below, each one of which filed an appeal of its 2012-2013 School-Based Access Program (hereafter “SBAP”) Cost Settlement. Intending to be legally bound hereby, the parties agree as follows:

1. The Appellants that are party to and to which the terms of this agreement apply, and the docket numbers under which their 2012-2013 SBAP Cost Settlement appeals are filed with the DHS Bureau of Hearings and Appeals, are as follows: Abington School District (No. 006-14-0094); Abington Heights School District (No. 006-14-0050); Avon Grove Charter School (No. 006-14-0090); Avon Grove School District (No. 006-14-0046); Beaver Area Academic Charter School (No. 006-14-0121); Beaver Area School District (No. 006-14-0120); Bensalem School District (No. 006-14-0126); Berwick Area School District (No. 006-14-0032); Blackhawk School District (No. 006-14-0123); Bloomsburg Area School District (No. 006-14-0067); Brandywine Heights School District (No. 006-14-0035); Bristol Township School District (No. 006-14-0076); Bucks County Intermediate Unit (No. 006-14-0052); Canon-McMillan School District (No. 006-14-0100); Carbon Lehigh Intermediate Unit (No. 006-14-0150); Central Columbia School District (No. 006-14-0068); Central Dauphin School District (No. 006-14-0129); Central Green School District (No. 006-14-0096); Chambersburg Area School District (No. 006-14-0070); Coatesville Area School District (No. 006-14-0130); Conrad Weiser School District (No. 006-14-0153); Council Rock School District (No. 006-14-0038); Cumberland Valley School District (No. 006-14-0127); Delaware County Intermediate Unit (No. 006-14-0065); Donegal School District (No. 006-14-0071); Downingtown Area School District (No.

006-14-0066); Eastern Lebanon County School District (No. 006-14-0077); Franklin Area School District (No. 006-14-0047); Garnet Valley School District (No. 006-14-0061); Girard School District (No. 006-14-0049); Governor Mifflin School District (No. 006-14-0136); Great Valley School District (No. 006-14-0073); Hanover Area School District (No. 006-14-0110); Hempfield Area School District (No. 006-14-0099); Hollidaysburg Area School District (No. 006-14-0081); Intermediate Unit 1 (No. 006-14-0103); Jamestown Area School District (No. 006-14-0034); Juniata Valley School District (No. 006-14-0054); Kennett Consolidated School District (No. 006-14-0148); Lancaster-Lebanon Intermediate Unit (No. 006-14-0139); Lincoln Intermediate Unit (No. 006-14-0141); Luzerne Intermediate Unit (No. 006-14-0069); Manheim Township School District (No. 006-14-0084); Marple Newtown School District (No. 006-14-0149); McGuffey School District (No. 006-14-0098); Montgomery County Intermediate Unit (No. 006-14-0088); Montrose Area (No. 006-14-0078); Morrisville School District (No. 006-14-0105); New Hope Solebury School District (No. 006-14-0157); Norwin School District (No. 006-14-0142); Octorara Area School District (No. 006-14-0080); Oley Valley School District (No. 006-14-0056); Owen J. Roberts School District (No. 006-14-0146); Palisades School District (No. 006-14-0109); Parkland School District (No. 006-14-0111); Penn Cambria School District (No. 006-14-0116); Penn-Delco School District (No. 006-14-0058); Pennridge School District (No. 006-14-0041); Pennsbury School District (No. 006-14-0118); Penn-Trafford School District (No. 006-14-0131); Phoenixville Area School District (No. 006-14-0158); Pottsgrove School District (No. 006-14-0086); Pottstown School District (No. 006-14-0087); Quakertown Community School District (No. 006-14-0152); Radnor Township School District (No. 006-14-0085); Ringgold School District (No. 006-14-0122); Riverview Intermediate Unit (No. 006-14-0048); Rochester Area School District (No. 006-14-0097); Rose Tree Media School District (No.

006-14-0128); School District of Hatboro-Horsham (No. 006-14-0055); School District of Lancaster (No. 006-14-0074); School District of Springfield Township (No. 006-14-0082); Schuylkill Valley School District (No. 006-14-0062); Tredyffrin-Easttown School District (No. 006-14-0113); Unionville-Chadds Ford School District (No. 006-14-0057); Upper Darby School District (No. 006-14-0075); Upper St. Clair School District (No. 006-14-0106); West Chester Area School District (No. 006-14-0095); Wilson School District (No. 006-14-0119).

2. Upon the issuance of an Order by the DHS Bureau of Hearings and Appeals (“BHA”) adopting and approving this Agreement, the appeals enumerated in paragraph 1 shall be considered withdrawn and ended.

3. DHS shall deduct the following amounts (hereafter “Settlement Deductions”) from the SBAP Financial Accounting Information (hereafter “FAI”) account of each of the following Appellants in two equal installments, the first to be deducted 30 or more days after this Agreement has been approved and adopted by an Order of BHA and the second to be deducted after the commencement of school year 2017-2018, unless the Appellant elects deduction or payment as described in paragraph 4:

Appellant	Total Amount of Settlement Deductions to be Paid to DHS
Abington Heights School District	\$ 5,056.16
Abington School District	\$ 20,671.46
Avon Grove Charter School	\$ 8,150.63
Avon Grove School District	\$ 40,518.61
Beaver Area Academic Charter School	\$ 86.68
Beaver Area School District	\$ 2,539.14
Berwick Area School District	\$ 7,361.32
Blackhawk School District	\$ 1,936.29
Bloomsburg Area School District	\$ 7,046.99
Brandywine Heights Area School District	\$ 5,549.50

Bristol Township School District	\$	9,531.56
Canon-McMillan School District	\$	2,916.78
Carbon Lehigh Intermediate Unit	\$	4,905.98
Central Columbia School District	\$	4,097.07
Chambersburg Area School District	\$	713.14
Conrad Weiser Area School District	\$	2,950.92
Council Rock School District	\$	34,779.71
Delaware County Intermediate Unit	\$	1,595.70
Donegal School District	\$	6,667.20
Downingtown Area School District	\$	4,994.82
Eastern Lebanon County School District	\$	3,427.24
Franklin Area School District	\$	17,383.76
Garnet Valley School District	\$	44,747.16
Girard School District	\$	6,127.64
Governor Mifflin School District	\$	2,625.84
Great Valley School District	\$	9,136.80
Hanover Area School District	\$	4,848.26
Hempfield Area School District	\$	6,185.42
Hollidaysburg Area School District	\$	15,679.89
Juniata Valley School District	\$	5,022.33
Kennett Consolidated School District	\$	18,377.91
Lincoln Intermediate Unit	\$	62,717.05
Manheim Township School District	\$	950.41
Marple Newtown School District	\$	20,126.12
McGuffey School District	\$	8,117.39
Montgomery County Intermediate Unit	\$	83,098.85
Morrisville School District	\$	2,604.67
Norwin School District	\$	12,054.75
Octorara Area School District	\$	16,610.57
Oley Valley School District	\$	3,943.68
Owen J. Roberts School District	\$	44,924.28
Palisades School District	\$	5,786.13
Parkland School District	\$	40,263.70
Penn Cambria School District	\$	3,074.33
Penn-Delco School District	\$	3,512.60
Pennridge School District	\$	47,619.51
Pennsbury School District	\$	52,593.04
Penn-Trafford School District	\$	23,534.38
Phoenixville Area School District	\$	9,631.81
Radnor Township School District	\$	11,793.56

Riverview Intermediate Unit	\$	7,628.68
Rochester Area School District	\$	1,541.48
Rose Tree Media School District	\$	5,210.16
Schuylkill Valley School District	\$	6,283.79
Springfield Township School District	\$	23,036.63
Tredyffrin-Easttown School District	\$	29,449.56
Unionville-Chadds Ford School District	\$	21,871.96
Upper Darby School District	\$	77,176.66
Upper St. Clair School District	\$	31,119.59
West Chester Area School District	\$	768.85
Wilson School District	\$	12,947.25

In the event that an Appellant identified above lacks an adequate balance in its SBAP FAI account to satisfy either of the two installments of the Settlement Deduction, the amount remaining will be offset against deposits into the Appellant's SBAP FAI account that become due during that school year. If there is still an amount due DHS at the end of the school year, DHS will notify the Appellant of the amount outstanding and the Appellant will pay to DHS directly within 30 days of receiving notice from DHS the difference between the amounts recovered that school year through the FAI SBAP account and the Settlement Deduction. Payment will be made by check payable to the Commonwealth of Pennsylvania and sent to:

Rebekah A. Ludwick  
Office of Social Programs  
School Based-Access Program  
625 Forster Street  
Health and Welfare Building, Rm. 602  
Harrisburg, Pennsylvania 17120

4. An Appellant may elect (a) to have its Settlement Deduction made in a single lump sum from its SBAP FAI account after the commencement of the 2016-2017 school year; or (b) to pay the foregoing Settlement Deduction amount from revenues other than its SBAP FAI account in a single installment. An Appellant shall notify DHS no later than 15 days after the

date of the approval and adoption of this Agreement by an Order of BHA by email addressed to [rebludwick@pa.gov](mailto:rebludwick@pa.gov) or by letter addressed to Rebekah A. Ludwick at the address set forth in paragraph 3 if it is electing one of these options. If it is electing to pay the foregoing Settlement Deduction from revenues other than its SBAP FAI account, payment shall be made within 45 days after the date of the approval and adoption of this Agreement by an Order of BHA and shall be made by check payable to the Commonwealth of Pennsylvania and sent to Rebekah A. Ludwick at the address set forth in paragraph 3. In the absence of timely notice that an Appellant has elected an option, DHS shall make deductions in two installments from the SBAP FAI account of that Appellant as provided in paragraph 3.

5. DHS shall pay the following amounts (hereafter “Settlement Payments”) by depositing the funds into the SBAP FAI account of the following Appellants within 90 days after the approval and adoption of this Agreement by an Order BHA:

Appellant	Total Amount to be Paid by DHS
Bensalem Township School District	\$ 22,319.66
Bucks County Schools Intermediate Unit	\$ 226,108.96
Central Dauphin School District	\$ 34,475.06
Central Greene School District	\$ 8,116.52
Coatesville Area School District	\$ 174,838.05
Cumberland Valley School District	\$ 55,062.58
Hatboro-Horsham School District	\$ 41,106.65
Intermediate Unit 1	\$ 126,857.17
Jamestown Area School District	\$ 756.57
Lancaster School District	\$ 79,522.38
Lancaster-Lebanon Intermediate Unit	\$ 313,258.34
Luzerne Intermediate Unit	\$ 49,538.71
Montrose Area School District	\$ 35,727.32
New Hope-Solebury School District	\$ 2,713.83
Pottsgrove School District	\$ 27,860.89
Pottstown School District	\$ 12,881.25
Quakertown Community School District	\$ 16,351.40
Ringgold School District	\$ 5,058.15

6. DHS shall, at least until December 31, 2018, include two LEA representatives who shall be designated in writing by Counsel for the Appellants (hereafter “LEA Representatives”) on the SBAP Advisory Group. If an LEA Representative resigns or becomes permanently incapacitated, the Appellants shall identify a new representative to the vacant seat. The agenda for a meeting of the SBAP Advisory Group will include the random moment time study (hereafter “RMTS”) and the contents of the SBAP program manual, and DHS will provide Advisory Group members with an opportunity to discuss these agenda items. Nothing in this Agreement shall require DHS to make any particular change to the SBAP based on this discussion.

7. DHS shall communicate to all LEAs, through training and other means, guidance on what is considered in determining whether a moment is a Medicaid service, with the goal that RMTS participants that are providing a health-related service that is in a student’s Individual Education Program provide answers that support the coding of the moment as a Medicaid service, as well as maximizing participation in the RMTS.

8. Except as specified in Paragraph 9 below, this Agreement resolves the appeals, claims, actions, and matters identified in Paragraph 1 above. Appellants shall release DHS and its respective officials, employees, agents, representatives, and contractors, and DHS shall release the Appellants, their directors, officers, employees, insurers and agents, from any and all actions, claims, and liability that have accrued, may accrue, or are derived from:

- a. The appeals, claims, actions and matters identified in Paragraph 1 above; and
- b. All issues relating to SBAP payments for services provided to eligible individuals for the 2012-2013 school year.

9. The following issues, matters, and disputes are not resolved by this Agreement:

- a. Any legal action that has been or could be made or brought by DHS alleging or involving fraud or false claims by any Appellant, its officials, agents, or representatives, regardless of whether any of the underlying or predicated acts or omissions occurred during a time period that is subject to the terms of this Agreement.
- b. Any charge, claim or legal action of any sort that has been or could be made or brought by any state agency other than DHS, or by any federal agency against any Appellant, its officials, agents, or representatives.
- c. Any disputes, claims or issues that have been or may be raised in litigation involving any Appellant for a time period other than school year 2012-2013.

10. This Agreement is based upon facts and circumstances unique to these cases and does not establish a precedent or restrict or waive any rights or privileges or otherwise bind DHS or Appellants in any other matter involving any of the Appellants, any successor to the Appellants, or any other Medical Assistance provider, or in any other action, appeal, or claim which is or may be brought by or on behalf of any Appellant, any successor to any Appellant or any other Medical Assistance provider.

11. Nothing in this Agreement shall be construed as an acknowledgment of fault, wrongdoing, or liability by any party hereto.

12. The Parties shall bear their own costs and attorney fees.

13. This Agreement is governed by, and shall be interpreted and construed in accordance with the laws of the Commonwealth of Pennsylvania, and shall not be construed for or against any party, but rather shall be given a fair and reasonable interpretation based upon the language of the Agreement and the expressed intent of the Parties.

14. This Agreement is not binding, shall have no effect, and is not enforceable in any administrative or judicial forum unless both of the following conditions have occurred:

- a. This Agreement is executed by all Parties or their duly authorized representative.
- b. This Agreement is filed with and approved and adopted by Order of the BHA.



15. BHA shall have exclusive jurisdiction over any dispute that may arise with respect to the interpretation, application, or enforcement of the terms of this Agreement, subject to appellate judicial review.

16. This Agreement constitutes the entire agreement and understanding of the Parties concerning the subject matter to which it expressly or implicitly pertains. It supersedes and rescinds all prior or contemporary agreements or understandings and can be modified only in writing executed by the Parties.

17. This Agreement shall be executed on separate duplicate signature pages by the representatives of each party, with one original, consisting of the text of the agreement and each of the compiled signature pages, to be held by DHS and the other to be held by a designated representative of the Appellants.

**EIGHTY (80) SIGNATURE PAGES ATTACHED HERETO**

The signatures appearing below signify approval of the Settlement Agreement and Release, consisting of 14 paragraphs and 9 pages, between the Pennsylvania Department of Human Services and the local education agency identified below concerning claims made to the School-Based Access Program for the 2012-2013 School Year.

**Attest:**

**MANHEIM TOWNSHIP SCHOOL DISTRICT**

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
President Date