BUSINESS ASSOCIATE AGREEMENT FOR PROTECTION OF INFORMATION

The purpose of this Business Associate Agreement for Protection of Information (Business Associate Agreement) is to comply with HIPAA, as hereinafter defined.

RME and Producer/Agent are parties to an underlying agreement for services, entitled Producer Agreement.

The terms of the underlying agreement for services result in Producer/Agent’s classification as a Business Associate under HIPAA.

The HIPAA regulations require RME to enter agreements that include mandated provisions and terms with all vendors and contractors that are classified as an RME Business Associate.

Producer/Agent and RMHMO agree to all Terms and Conditions, attached.

This Agreement is dated and shall be effective on the date set forth on the signature page of the Producer Agreement.
I. **Definitions.** Terms used but not otherwise defined in this Business Associate Agreement shall have the same meaning as those terms in 45 C.F.R. Parts 160 and 164. All terms defined in this Business Associate Agreement shall have a meaning consistent with terms defined in 45 C.F.R. Parts 160 and 164. Capitalized terms in this Business Associate Agreement are defined as follows:

A. “Business Associate” shall mean, with respect to a Covered Entity, a person who is defined in 45 C.F.R. 160.103.

B. “Business Associate Agreement” means this document/agreement, which may be incorporated by reference into the underlying agreement, or entered by the parties separately from the underlying agreement.

C. “Covered Entity” shall have the meaning of the term “covered entity” as defined in 45 C.F.R. 160.103.

D. “Designated Record Set” means PHI maintained by or for RME, including but not necessarily limited to (i) the medical records and billing records about Individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, case or medical management records; and (iii) any other records used, in whole or in part, to make decisions about Individuals.

E. “Disclose,” “Disclosing” or “Disclosure” means the release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.

F. “HIPAA” means the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, as amended), the Health Information Technology for Economic and Clinical Health Act, found in Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005, and related HIPAA regulations (45 C.F.R. Parts 160-164) including specifically any amendments or additions to such regulations and the HIPAA Omnibus Rule.

G. “HIPAA Omnibus Rule” shall mean 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, 78 Federal Register 5566 (January 25, 2013), and any amendments thereto.

H. “Individual” means a natural person who is the subject of PHI.

I. “Information Privacy and Protection Laws” mean (i) HIPAA; (ii) the Gramm-Leach-Bliley Act, as amended and including any implementing regulations; (iii) any statute, regulation, administrative or judicial ruling requiring a party to protect the privacy or security of information pertaining to the health or medical status or condition of an individual, and/or the payment for health or medical care for an individual; (iv) any statute, regulation, administrative or judicial ruling requiring a party to protect information pertaining to the financial or credit status or condition of an individual; (v) any statute, regulation, administrative or judicial ruling requiring a party to protect information pertaining to Individuals based upon the Individuals’ status as consumers; and (vi) any other statute, regulation, administrative or judicial ruling requiring a party to protect the confidentiality, privacy and/or security of information pertaining to Individuals; all to the extent that such Information Privacy and Protection Laws have been enacted, promulgated, issued or published by any federal or state governmental authority with jurisdiction over a Covered Entity, a Business Associate, an individual or RME.

J. “Minimum Necessary Information” means (i) in the case of routine and recurring types of Disclosures, information or records which the Disclosing party’s policies and procedures have established as reasonably necessary to achieve the purpose of such Disclosures; (ii) in the case of non-routine or non-recurring Disclosures, the information or records which the Disclosing party determines is reasonably necessary to accomplish the purpose of the Disclosure, upon review of each Disclosure according to criteria developed by the Disclosing party; (iii) in the case of a Disclosure (A) to a Covered Entity, (B) to a professional for purposes of providing professional services to the Disclosing party, or (C) to a public official for Disclosures which are permitted by law without Individual consent, the Minimum Necessary Information shall be the information or records requested by that party, upon the party’s reasonable representation that the request is for the minimum necessary given the purpose of the Disclosure(s).

K. “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and 164 (Subparts A and E), and as amended.
L. “Protected Health Information” or “PHI” shall have the meaning as the term “protected health information” in 45 C.F.R. 160.103 and generally includes any information that identifies or could reasonably be believed used to identify an Individual, which in any way concerns that Individual’s health status, health care, or payments for his or her health care.

M. “Receive,” “Receiving” or “Receipt” means (i) to take physical delivery of media containing information, or (ii) in the case of electronic delivery, for information to come into existence in a party’s information processing system in a form capable of being processed by or perceived from a system of that type by the Receiving party if the Receiving party has designated that system or address as a place for Receipt of Information to a Disclosing party and the Disclosing party does not know that the information cannot be accessed from the particular system.

N. “Rocky Mountain Entity” or “RME” means RMHMO and any present or future subsidiaries of RMHMO.


P. “Security Incident” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system as provided in 45 CFR § 164.304.

Q. “Third Party” means any individual, person, or organization not a party to this Business Associate Agreement.

R. “Unsecured PHI” shall have the same definition as the term is given in 45 C.F.R. 164.402.

S. “Use” means the sharing, employment, application, utilization, examination, analysis, de-identification or commingling with other information, of information by a party that holds that information.

II. Permitted Uses and Disclosures by Producer/Agent.

A. Permitted Uses. The purpose(s) for which Producer/Agent may Use, Disclose, or have access to PHI includes those Uses, Disclosures, or access specifically identified in the underlying agreement when Producer/Agent is performing a function, service, or activity on behalf of RME. Specifically, the scope of PHI that may be Used, Disclosed, or accessed and/or the functions performed by Producer/Agent includes PHI necessary to perform functions required by the underlying agreement for services.

B. Compliance with Law. Producer/Agent will not Use, Disclose, or access PHI in violation of any Information Privacy and Protection Laws.

C. Limitations on Use and Disclosure. Producer/Agent further agrees to not Use or Disclose PHI other than as permitted or required by this Business Associate Agreement or as required by law. Producer/Agent will not transfer PHI outside the United States without the prior written consent of RME. In this context, a “transfer” outside the United States occurs if Producer/Agent’s workforce members, agents, or subcontractors physically located outside the United States are able to access, Use, or Disclose PHI. Producer/Agent may not use or disclose PHI in a manner that would violate HIPAA if done by RME, except as provided in Section III.D.

D. Management and Administration. Producer/Agent may use PHI for the proper management and administration of Producer/Agent or to carry out its legal responsibilities. Producer/Agent may Disclose PHI for the proper management and administration of Producer/Agent or to carry out its legal responsibilities, provided the Disclosures are required by law, or Producer/Agent obtains reasonable assurances from the person to whom the PHI is Disclosed that the PHI will remain confidential and Used or further Disclosed only as required by law or for the purposes for which it was Disclosed to the person, and the person notifies Producer/Agent of any instances of which it is aware in which the confidentiality of the PHI has been breached.

III. Obligations and Activities of Producer/Agent.

A. Independent Obligation. Producer/Agent, consistent with its independent obligations under HIPAA, will comply with applicable provisions of the Security Rule and the Privacy Rule with respect to PHI created or obtained by it through the underlying agreement and this Business Associate Agreement.

B. Access to Records. Producer/Agent agrees to provide access, at the request of RME and in the time and manner designated by RME, to PHI in a Designated Record Set to RME or, as directed by RME, to an Individual in order to meet the
requirements under 45 CFR 164.524. This is not necessary if Producer/Agent does not have PHI in a Designated Record Set.

C. Amendment to Records. Producer/Agent agrees to make any amendment(s) to PHI in a Designated Record Set that RME directs or agrees to pursuant to 45 CFR 164.526 at the request of RME and in the time and manner designated by RME. This is not necessary if Producer/Agent does not have PHI in a Designated Record Set.

D. Accounting for Disclosure of Records. Producer/Agent shall maintain an accounting or record of all Disclosures of PHI it makes as required by and in accordance with 45 C.F.R 164.528. The record of the Disclosure shall include the following information: (a) the date of the Disclosure, (b) the name and address of the organization and/or individual Receiving the information; (c) a brief description of the information Disclosed; (d) if the Disclosure was not to the Individual, the purpose for the Disclosure; and (e) a copy of all requests for Disclosures. Producer/Agent agrees to provide to RME, in the time and manner designated by RME, information collected in accordance with this section, to permit RME to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528.

E. Mitigation. Producer/Agent agrees to mitigate, to the extent practicable, any harmful effect that is known to Producer/Agent of a Use or Disclosure of PHI by Producer/Agent in violation of the requirements of this Business Associate Agreement.

F. Minimum Necessary and Limited Data Set. Generally, Producer/Agent’s Use, Disclosure, or request for or of PHI shall utilize a limited data set if practicable. If use of a limited data set is not practicable, Producer/Agent shall limit the Use, Disclosure, or request to the Minimum Necessary Information for purposes of that transaction in accordance with HIPAA. Information required to be provided or submitted in standard transactions adopted under HIPAA and implementing regulations and authority are presumed to meet the Minimum Necessary Information requirements.

G. Security/Notification of Breach. At all times following the Receipt of PHI, until such time as the PHI is no longer in Producer/Agent’s possession or subject to its control:

(1) Producer/Agent shall implement administrative, physical, and technical safeguards, as required by the Security Rule that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI that it creates, Receives, maintains, or transmits on behalf of RME. Such administrative, physical, and technical safeguards, and other appropriate safeguards, shall be implemented in order to prevent any Use or Disclosure of PHI other than those permitted under this Business Associate Agreement; and

(2) Producer/Agent shall notify RME within five (5) days of becoming aware of: (i) any Use or Disclosure of PHI not provided for by or contrary to the terms of this Business Associate Agreement, and (ii) any Security Incident. Any breach of Unsecured PHI must be reported by Producer/Agent to RME as required at 45 CFR 164.410, without unreasonable delay and in no case later than five (5) calendar days after discovery of the breach.

H. Agents and Subcontractors. Producer/Agent agrees to ensure that any agent or subcontractor of Producer/Agent that creates, Receives, maintains, or transmits PHI agrees to the same restrictions and conditions that apply to Producer/Agent with respect to the PHI. Further, Producer/Agent shall implement and maintain sanctions against agents and subcontractors, if any, that violate such restrictions and conditions. Producer/Agent shall maintain the right to terminate any agreement with an agent or subcontractor who fails to abide by such restrictions and obligations or cure such violations within thirty (30) days, and shall take such other action as required by HIPAA, including reporting the violation to the U.S. Secretary of the Department of Health and Human Services.

I. Covered Entity Obligations. To the extent that Producer/Agent is carrying out RME’s obligations under HIPAA, Producer/Agent shall comply with the requirements of HIPAA that apply to RME in performing such obligations.

J. Audits. Producer/Agent agrees to make its internal practices, books, and records relating to its access to, and Use and Disclosure of, PHI received from or on behalf of RME or created by Producer/Agent on behalf of RME available to RME or, at the request of RME, to the U.S. Secretary of the Department of Health and Human Services (Secretary) in a time and manner designated by RME or the Secretary for purposes of determining compliance with Information Privacy and Protection Laws.
K. Compliance with Law and Agreement. Each party to this Business Associate Agreement shall comply with, and as applicable shall require its directors, officers and employees to comply with, all applicable Information Privacy and Protection Laws and with each party’s duties and obligations pursuant to this Business Associate Agreement.

IV. Information Transmission Agreement

A. Transmission of PHI. In arranging for transmission or exchange of PHI with RME, regardless of the format of the information or the method of transmission utilized, Producer/Agent will cooperate with RME to reasonably safeguard such information from unauthorized Disclosure.

V. Term and Termination

A. Effective Date. The Effective Date of this Business Associate Agreement shall be the effective date indicated on the signature page of this Business Associate Agreement.

B. Term. Except as otherwise agreed, this Business Associate Agreement shall be in effect for the term of the underlying agreement and shall be renewed with any renewal or extension of the underlying agreement.

C. Termination for Cause. Notwithstanding anything to the contrary in this Business Associate Agreement or the underlying agreement, following RME's discovery and determination of a material breach by Producer/Agent of the terms of this Business Associate Agreement, and Producer/Agent’s failure to cure or end the violation within any time period agreed to by RME, if any, RME may:

1) Terminate this Business Associate Agreement and the underlying agreement or contract upon written notice to Producer/Agent without any judicial intervention being required and without liability for such termination; or

2) If termination is not feasible, report the issue to the Secretary of the U.S. Department of Health and Human Services.

D. Effect of Termination.

1) Except as provided in paragraph (2) of this section, upon termination of this Business Associate Agreement, for any reason, Producer/Agent shall return or destroy all PHI Received from RME, or created or Received on behalf of RME. Producer/Agent shall retain no copies of the PHI. This provision shall apply to PHI that is in the possession of subcontractors or agents of Producer/Agent, and to PHI Disclosed by Producer/Agent to Third Parties.

2) In the event that Producer/Agent determines that returning or destroying PHI is not feasible, Producer/Agent shall provide to RME notification of the conditions that make return or destruction not feasible. Upon mutual agreement of the parties that return or destruction of PHI is infeasible, Producer/Agent shall extend the protections of this Business Associate Agreement to any PHI that is so retained and not destroyed and limit further uses and disclosures of PHI to those purposes that make the return or destruction infeasible, for so long as such PHI is maintained.

E. Archiving of Information. Any Information retained by Producer/Agent pursuant to paragraph V.D.2. above shall be returned or destroyed when the circumstances making its return or destruction infeasible no longer exist, and until such time, Producer/Agent shall continue to comply with all requirements and protections that apply to PHI under this Business Associate Agreement for as long as such information is retained.

VI. General Provisions

A. Amendment of Agreement. This Business Associate Agreement shall not be changed, modified or altered except by amendment, which, to be valid and enforceable, shall be in writing and signed by the parties. Notwithstanding the foregoing: (1) RME may unilaterally amend this Agreement in order to comply with HIPAA and any other applicable federal or state laws or regulations, effective immediately upon written notice to Producer/Agent; and (2) upon the addition of, change, or amendment to HIPAA or any other applicable federal or state laws or regulations relevant to the terms of this Business Associate Agreement which would require an amendment, this Business Associate Agreement shall be deemed to be amended to comply with such addition, change or amendment.

B. Indemnification. Each party will indemnify, hold harmless, and defend the other parties to this Business Associate Agreement from and against any and all claims, losses, liabilities, costs, and other expenses incurred as a result or arising directly or indirectly out of or in connection with (a) any non-fulfillment of any obligation on the part of the responsible party under this Business Associate Agreement; and (b) any claims, demands, awards, judgments, actions, and proceedings made by any
person or organization, arising out of or in any way connected with the party’s performance under this Business Associate Agreement.

C. Survival. The obligations of Producer/Agent under section V.D. of this Business Associate Agreement shall survive termination of the underlying agreement.

D. No Agency or Partnership. This Business Associate Agreement does not create a joint venture, partnership, or employer-employee relationship between the parties. In performing under this Business Associate Agreement, each party is at all times acting and performing as an independent contractor and is not an agent or representative of any other party.

E. No Rights to Individuals. This Business Associate Agreement shall not be construed to provide any right to an Individual or to increase the duties or responsibilities of the parties hereto beyond the requirements established by this Business Associate Agreement. The sole purpose of this Business Associate Agreement is to establish the respective rights and duties of the parties hereto (and of RME). Any rights of an Individual are derived solely from law and not from this Business Associate Agreement.

F. RMEs Benefit from Agreement. An RME other than the signatory to this Business Associate Agreement shall be a third party beneficiary of this Business Associate Agreement to the extent that Producer/Agent provides services to such RME. To the extent that an RME other than the signatory to this Business Associate Agreement is a third party beneficiary of this Business Associate Agreement, such RME shall also have the obligations of the signatory to this Business Associate Agreement as set forth herein.

G. Assignment. No party may assign or transfer any or all of its rights and/or obligations under this Business Associate Agreement or any part of it, nor any benefit or interest in or under it, to any Third Party without the prior written consent of all other parties.

H. Interpretation. Any ambiguity in this Business Associate Agreement or inconsistency with a provision of the underlying agreement shall be resolved in favor of a meaning that permits RME to comply with applicable Information Privacy and Protection Laws.