

## BUSINESS ASSOCIATE CONFIDENTIALITY AGREEMENT

This Business Associate Confidentiality Agreement (the "Agreement") by and between ConnectiCare, Inc. on behalf of itself and its affiliates, (collectively "CCI") and \_\_\_\_\_ (herein "Business Associate") is effective as of \_\_\_\_\_, 20\_\_, (the "Effective Date").

WHEREAS, CCI desires that Business Associate perform \_\_\_\_\_ (called "Contracted Services") for or on behalf of CCI and Business Associate has agreed in writing to perform the Contracted Services;

WHEREAS, in order to perform the Contracted Services for or on behalf of CCI Business Associate will gather, store and transmit Protected Health Information ("PHI") (defined below) and may have access to other technical, customer, business and financial information about CCI or its affiliates or customers or contractors ("Proprietary Information");

WHEREAS, CCI is obligated under the statute and regulations implementing the Health Insurance Portability and Accountability Act of 1996, including the privacy and security provisions of Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH"), enacted as part of the American Recovery and Reinvestment Act of 2009 ("ARRA") and the rules and regulations promulgated thereunder, as may be amended from time to time applicable to Business Associate as a "business associate" within the meaning of 45 C.F.R. 160.130 (hereinafter either referred to as "HIPAA" or the "Privacy and Security Rules") to ensure that Business Associate uses and discloses PHI consistent with the requirements of HIPAA;

WHEREAS, Business Associate understands and acknowledges that PHI and Proprietary Information must be safeguarded as outlined in this Agreement.

NOW THEREFORE, the parties agree as follows:

### 1. DEFINITIONS

**"Protected Health Information" or "PHI"** means any information, whether oral or recorded in any form or medium, that is created or received from CCI and that (1) relates to the past, present or future physical or mental health condition of an individual, provision of health care to an individual, or the past, present or future payment for health care provided to an individual; and (2) identifies the individual or provides a reasonable basis to believe that it can be used to identify the individual. PHI shall also include PHI transmitted by electronic media and/or maintained in electronic media.

All capitalized terms used herein that are not otherwise defined have the meanings ascribed in the Privacy and Security Rules.

## 2. OBLIGATIONS OF BUSINESS ASSOCIATE

- A. Confidentiality of PHI and Proprietary Information. Business Associate agrees to not use or disclose PHI and Proprietary Information other than as permitted or required by this Agreement or as required by law. Business Associate shall not at any time access any PHI or Proprietary Information for any purpose other than those specifically authorized by CCI or required by law. Furthermore, Business Associate shall not permit access to any PHI or Proprietary Information by any unauthorized person or disclose any access code or authorization assigned to Business Associate that allows it to give access to PHI or Proprietary Information to any unauthorized person or use such access code or authorization in an unauthorized manner. Business Associate shall ensure that any and all of its subcontractors that create, receive, maintain or transmit PHI on behalf of the Business Associate shall agree to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information in accordance with 45 C.F.R. § 164.502(e)(1)(ii) and § 164.308(b)(2), as applicable. In addition, Business Associate shall take reasonable steps to ensure that the actions and omissions of its employees and subcontractors do not cause Business Associate to violate this Agreement.
- B. Permitted Uses. Business Associate shall use or disclose PHI and Proprietary Information exclusively in connection with and for the sole purposes of performing the Contracted Services. Any such use of PHI by Business Associate shall not violate the Privacy and Security Rules or any other applicable law, rule or regulation. Business Associate shall take reasonable steps to ensure that the person to whom the information is disclosed shall maintain the confidentiality of the information and shall use or further disclose it only as Required by Law or for the purpose for which it was disclosed to the person, and that the person promptly notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- C. Permitted Disclosures. Business Associate shall not disclose PHI in any manner that would constitute a violation of the Privacy and Security Rules if disclosed by CCI. However, Business Associate may disclose PHI as necessary to carry out the legal responsibilities of Business Associate if the disclosure is required by law.
- D. Appropriate Safeguards. Business Associate agrees to use commercially reasonable and appropriate administrative, technical and physical safeguards, consistent with the size and complexity of Business Associate's operations, to maintain the privacy and security of the PHI and Proprietary Information and to prevent unauthorized use or disclosure of PHI and Proprietary Information. Business Associate shall comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI. Business Associate shall maintain a written security program describing such safeguards, a copy of which shall be available to CCI

upon request. Business Associate shall also make its internal practices, books and records relating to the use and disclosure of PHI and Proprietary Information received from CCI, or created or received by Business Associate on behalf of CCI available to the United States Department of Health and Human Services in accordance with the HIPAA regulations.

The additional requirements of HITECH that relate to privacy or security and that are made applicable with respect to covered entities shall also be applicable to Business Associate and shall be and by this reference are incorporated into this Agreement.

Any and all information received directly or indirectly from CCI in a portable medium or device, including but not limited to tapes, CDs, DVDs and any other format, shall be encrypted by Business Associate at all times utilizing best security practice technology. Such controls must be in accordance with security best practices, including but not limited to, physical and logical security controls, and shall apply to, among others, laptops, cell phones, tablets, personal digital assistants (PDAs) and portable storage media devices.

Business Associate, in maintaining the privacy and security of Protected Health Information, shall employ practices and procedures which comply with the US Department of Health and Human Services "Guidance Specifying the Technologies and Methodologies That Render Protected Health Information Unusable, Unreadable or Indecipherable to Unauthorized Individuals for purposes of the Breach Notification Requirements under section 13402 of Title XIII" (HITECH) of ARRA, as may be amended, and by the regulations and guidance relating to security standards for PHI as may be promulgated from time to time.

- E. Reporting Improper Use or Disclosure. Business Associate shall promptly notify CCI of any use or disclosure of PHI or Proprietary Information that is not in compliance with the terms of this Agreement of which Business Associate becomes aware.

Business Associate shall notify CCI of any Breach of Unsecured Protected Health Information within two (2) days of Business Associate's discovery of the Breach in accordance with 45 C.F.R. § 164.410. Such notice shall provide, to the extent known at the time a Breach is discovered and ultimately thereafter the following:

1. brief description of what happened, including the date of the Breach and the date of discovery of the Breach, a description of the type of Unsecured Protected Health Information that was involved in the Breach, such as names, addresses, dates of birth, social security numbers, diagnoses or other clinical information;

2. the total number of individuals and total number of individuals by state potentially impacted by the Breach and whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been accessed, acquired, used or disclosed during the Breach;
3. the name, address, date of birth and identification number of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been accessed, acquired, used or disclosed during the Breach;
4. any steps individuals should take to protect themselves resulting from the Breach;
5. a description of the investigation into the Breach; a description of Business Associate's efforts to mitigate harm to individuals; and a description of Business Associate's efforts toward protection against further Breaches;
6. contact information of the individual from Business Associate's organization having the most knowledge of the Breach matter whom CCI can contact to discuss the facts surrounding the Breach; and
7. any other available information as requested by CCI in order to mitigate the effects of the Breach and to comply with state and federal privacy requirements.

In addition, Business Associate agrees to mitigate, to the extent possible, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

- F. Access to PHI. To enable CCI to fulfill its obligations under the Privacy and Security Rules, Business Associate shall, at the request and direction of CCI, make PHI maintained by Business Associate or its subcontractors available to CCI or the individual to whom the PHI relates for inspection and copying within five (5) days of receipt of such a request from CCI.
- G. Amendment of PHI. To enable CCI to fulfill its obligations under the Privacy and Security Rules, Business Associate shall, within five (5) business days of a request from CCI, make PHI maintained by Business Associate available for amendment and, as directed by CCI, shall incorporate any amendment or related statements into the information held by Business Associate. If any individual to whom the PHI relates directly requests that Business Associate amend PHI, Business Associate shall notify CCI within five (5) days of such request.
- H. Accounting of Disclosures. Business Associate shall, within five (5) days of a request from CCI, make available the information necessary for CCI to provide an individual to whom the PHI relates with an accounting of the disclosures of his or her PHI as required under the Privacy and Security Rules. At a minimum such information shall include: (1) the date of the disclosure; (2) the name and

address of the entity or person receiving the PHI; (3) a brief description of the PHI disclosure; and (4) a brief description of the reason for the disclosure or a copy of the written request for the disclosure. Such information must be maintained by Business Associate for a period of six (6) years from the date of each disclosure. If any individual to whom the PHI relates directly requests that Business Associate provide an accounting of disclosures of PHI, Business Associate shall notify CCI within five (5) days of such request.

- I. Minimum Necessary. Business Associate agrees that it will not request, use or disclose more than the minimum amount of PHI necessary to accomplish the purpose of the permitted use or disclosure to the extent required by the HIPAA regulations, HITECH and any guidance issued by the Secretary thereunder. Business Associate agrees that it will comply with CCI's minimum necessary policies and procedures.
- J. Auditing, Inspections and Enforcement. Business Associate agrees to make its internal practices, books and records relating to the use or disclosure of PHI available to CCI and the Secretary of the Department of Health and Human Services, or the Secretary's designee, for purposes of determining CCI's compliance with the Privacy and Security Rules. Business Associate shall provide appropriate training regarding the requirements of this Agreement to any employee accessing, using, or disclosing PHI and shall develop and implement a system of sanctions for any employee, and if approved by CCI, any subcontractor of Business Associate who violates this Agreement.
- K. Subcontractors of Business Associate. Business Associate shall not provide any of its subcontractors access to any PHI or Proprietary Information except with the prior written approval of CCI. When approved by CCI, Business Associate shall ensure that all of its subcontractors whom it discloses PHI and/or Proprietary Information agree to be contractually bound by the same restrictions and obligations contained in this Agreement whenever PHI is made accessible to such subcontractors. Business Associate shall disclose only the minimum necessary PHI for the subcontractor to perform or fulfill the authorized subcontracted services.
- L. Data Aggregation. Unless specifically agreed to otherwise in writing between the parties, Business Associate shall not use Protected Health Information for data aggregation services. For purposes of this Agreement, data aggregation services means the combining of Protected Health Information by Business Associate with the protected health information received by Business Associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.
- M. De-Identification. Unless specifically agreed to otherwise in writing between the parties, Business Associate shall not de-identify Protected Health

Information or use de-identified Protected Health Information or use de-identified Protected Health Information for any purpose.

N. Carrying Out Activities of CCI. To the extent Business Associate will carry out one or more of CCI's obligation(s) under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to CCI in the performance of such obligation.

O. Security Standards.

(a) Business Associate agrees to:

1. In accordance with Subpart C of 45 C.F.R. Part 164, implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of CCI;
2. Ensure that any subcontractor to whom it provides electronic Protected Health Information, agrees to implement reasonable and appropriate safeguards to protect such electronic Protected Health Information;
3. Promptly report to CCI any security incident involving electronic Protected Health Information of which it becomes aware; and
4. Comply with any other requirements that the Secretary of Health and Human Services may require from time to time with respect to electronic Protected Health Information by the issuance of additional guidance or regulations pursuant to HIPAA.

(b) Business Associate shall satisfy all applicable provisions of the HIPAA standards for electronic transactions and code sets, also known as the Electronic Data Interchange (EDI) Standards, codified at 45 C.F.R. § 162.103 et seq. Business Associate further agrees to ensure that any subcontractor that conducts standard transactions, as such term is defined in 45 C.F.R. 162.103, on its behalf will comply with the EDI standards.

(c) Business Associate also represents that it has and shall maintain throughout the term of this Agreement policies and procedures designed to detect, prevent and mitigate the risk of identity theft to comply with the provisions, as applicable, of the Federal Trade Commission's Identity Theft Prevention Red Flags Rule (16 C.F.R. § 681.1).

### 3. OBLIGATIONS OF CCI

- A. Restrictions on Use and Disclosure. CCI agrees to inform Business Associate of any restrictions to the use or disclosure of PHI agreed to by CCI in accordance with the Privacy and Security Rules to the extent such restriction may affect Business Associate's use or disclosure of PHI.
- B. Permissible Requests. CCI shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy and Security Rule if done by CCI.

### 4. INDEMNIFICATION

Business Associate shall indemnify and hold harmless CCI from and against any and all losses, expenses, damages or injuries (including reasonable counsel fees and breach notification expenses) that CCI may sustain as a result of, or arising out of a breach of this Agreement by Business Associate or its employees, agents, representatives, independent contractors or subcontractors, including but not limited to any unauthorized use or disclosure of PHI and/or Proprietary Information, arising from a violation of HIPAA, HITECH or ARRA and/or other applicable law, and/or any breach of unsecured protected health information and/or breach of personal information, by or caused by Business Associate and/or its employees, agents, representatives, subcontractors and/or independent contractors.

### 5. TERM AND TERMINATION

- A. Term. This Agreement shall be effective as of the Effective Date and shall terminate when all PHI and Proprietary Information provided by CCI to Business Associate, or created or received by Business Associate on behalf of CCI, is destroyed or returned to CCI, or, if it is infeasible to return or destroy such PHI, and protections are extended to such information in accordance with section 5(E) of this Agreement, in accordance with the termination provisions in this section.
- B. Material Breach. A breach by Business Associate of any material provision of this Agreement or the Privacy and Security Rules, as determined by CCI, shall constitute a material breach of this Agreement and shall provide grounds for the immediate termination of the Agreement.
- C. Reasonable Steps to Cure Breach. If CCI knows of an activity or a practice of Business Associate that constitutes a material breach or violation of Business Associate's obligations under this Agreement or the Privacy and Security Rules, CCI may provide Business Associate with an opportunity to cure the breach or end the violation. Should Business Associate fail to cure the breach or violation to the satisfaction of CCI within the specified time period, CCI shall, if feasible, terminate the Agreement.

- D. Remedies. Notwithstanding any rights or remedies set forth in the Agreement including this Agreement, or provided by law, CCI retains all rights to seek injunctive relief to prevent or stop the unauthorized use of disclosure of PHI or Proprietary Information by Business Associate, any of its agents or subcontractors, or any third party who has received PHI or Proprietary Information from Business Associate.
- E. Effect of Termination. Upon termination of the Agreement, Business Associate shall return or destroy all PHI and Proprietary Information in its possession that was received from, or created or received by Business Associate on behalf of, CCI. If it is infeasible to return or destroy the PHI and Proprietary Information, Business Associate shall continue to extend the protections of this Agreement to such PHI and Proprietary Information and limit further use of such PHI and Proprietary Information to those purposes that make the return or destruction of such PHI and Proprietary Information infeasible. Business Associate agrees that it will not retain any copies of PHI or Proprietary Information in any form or medium except as required by law. If PHI is destroyed, Business Associate agrees to provide CCI with appropriate documentation and a certification evidencing such destruction.

## 6. MISCELLANEOUS

- A. Relationship of the Parties. None of the provisions of this Agreement are intended to create or shall be deemed to create any relationship between the parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this of this Agreement.
- B. Ownership of PHI and Proprietary Information. The PHI, Proprietary Information and any related information received from CCI is, and will remain, the property of CCI. Business Associate agrees that it acquires no ownership rights to or title in the PHI, Proprietary Information, or any related information.
- C. No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person or entity other than CCI, Business Associate and their respective successors and assigns, any rights, remedies, obligations or liabilities whatsoever.
- D. Modification to Comply with Law. The parties acknowledge that state and federal laws relating to the security and privacy of PHI are rapidly evolving and that modification of the Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree that CCI may take such action as is necessary to implement the standards and requirements, including unilaterally amending this Agreement as necessary to comply or maintain compliance.



- E. Interpretation. This Agreement shall be interpreted as broadly as necessary to implement and comply with the Privacy and Security Rules. The parties further agree that any ambiguity in this Agreement, or any other agreements between the parties, shall be resolved in favor of the meaning that complies and is consistent with the Privacy and Security Rules.
- F. This Agreement supersedes and replaces earlier Business Associate Agreements between the parties with regard to the Contracted Services.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

**Business Associate**

**ConnectiCare, Inc., on behalf of  
Itself and its affiliates**

**Company Name:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**By:**  \_\_\_\_\_

**Name:** ERIC GALVIN

**Title:** PRESIDENT ; COO

**Date:** 2/17/2017