

BUSINESS ASSOCIATE AGREEMENT

THIS AGREEMENT (the "Addendum") supplements and is made a part of the COLLECTION SERVICES AGREEMENT (herein the "Agreement") by and between _____ ("Covered Entity") and LOUISIANA RECOVERY SERVICES, INC. ("Business Associate").

BACKGROUND STATEMENTS

- A. Covered Entity and Business Associate are parties to an Agreement dated _____ (the "Agreement"), and, in connection with that Agreement, Covered Entity may disclose to Business Associate certain information ("Protected Health Information" as further defined below) that is subject to protection under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended from time to time; and
- B. Pursuant to the provisions of HIPAA ("HIPAA Regulations"), Business Associate must, as a condition or doing business with Covered Entity, agree in writing to certain mandatory provisions regarding, among other things, the use and disclosure of Protected Health Information (herein "PHI"); and
- C. The purpose of this Addendum is to satisfy the requirements of the HIPAA Regulations, as codified, as the same may be amended from time to time.
- D. Business Associate:
- Is a Covered Entity as defined by 45 CFR Section 160.103 of HIPAA
 - Is not a Covered Entity as defined by 45 CFR Section 160.103 of HIPAA

If Business Associate has indicated that it is a Covered Entity, Business Associate acknowledges that it must abide by the standards, requirements and implementation specifications of HIPAA, including but not limited to, 45 CFR Sections 164.502, 164.525 and 164.528.

IN CONSIDERATION OF THE FOREGOING, and of the desire of each party to continue providing or receiving services under the Agreement, the parties agree as follows:

1. **Definitions.** Unless otherwise provided in this addendum, capitalized terms have the same meaning as set forth in the HIPAA Regulations, 45 CFR parts 142 and 160 – 164.
2. **Scope of Use of Protected Health Information.** Business Associate may not:
 - a. Use or otherwise disclose PHI (as defined in 45 CFR § 164.504) it receives from Covered Entity for any purpose other than for the purpose(s) stated in the Agreement.
 - b. Notwithstanding any other provisions of the Agreement, use or disclose PHI in a manner that violates or would the HIPAA Regulations if such activity were engaged in by Covered Entity.
3. **Safeguards for the Protection of Protected Health Information.**
 - a. Business Associate shall implement and maintain, and by this Addendum warrants that it has implemented, such safeguards as are necessary to ensure that the PHI disclosed by Covered Entity to Business Associate is not used or disclosed by Business Associate except as provided in the Agreement.
 - b. Business Associate shall promptly notify Covered Entity of any material change to any aspect of its security safeguards. Notwithstanding any other provisions of the Agreement to the contrary, Covered Entity may terminate the Agreement without penalty if it determines, in its sole discretion, that any such changes or any diminution of Business Associate's security procedures render any or all of Business Associate's safeguards unsatisfactory to Covered Entity.
4. **Reporting of Unauthorized Use or Disclosure.** Business Associate shall promptly report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not provided for or

permitted in the Agreement. Business Associate shall permit Covered Entity to investigate any such report and to examine Business Associate's premises, records and practices.

5. Uses of Open Communication Channels; Encryption.

- a. Business Associate may not transmit PHI over the Internet or any other insecure or open communication channel unless such information is encrypted or otherwise safeguarded using procedures no less stringent than those described in 45 CFR § 142.308(d).
- b. If Business Associate stores or maintains PHI in encrypted form, Business Associate shall, promptly at Covered Entity's request, provide Covered Entity with the key or keys to decrypt such information.

6. Authorized Alteration of Protected Health Information.

- a. Business Associate acknowledges that the HIPAA Regulations require Covered Entity to provide access to PHI to the subject of that information if and when Business Associate makes any material alteration to such information. Further, Business Associate acknowledges that it must comply with those provisions of the HIPAA Regulations allowing the subject of PHI to review and/or amend that individual's PHI. For purposes of this section, "Material Alteration" means any addition, deletion or change to the protected Health Information of any subject other than the addition of indexing, coding or other administrative identifiers for the purpose of facilitating the identification or processing of such information.
- b. Business Associate shall provide Covered Entity with notice of each material alteration in any Protected Health Information and shall cooperate promptly with Covered Entity in responding to any request made by any subject of such information to Covered Entity to inspect and/or copy such information. Any notice to a party hereto pursuant to this Addendum shall be given in writing by certified or registered mail, return receipt requested, addressed as follows:

If to Covered Entity: _____

Attn: _____

If to Business Associate: Louisiana Recovery Services, Inc.
1304 Bertrand Drive, Suite F-4 Lafayette, LA 70506
Attn: Robin Sonnier

The parties shall hereafter notify each other in accordance herewith of any change of address to which notice is required to be sent.

- c. Business Associate may not deny Covered Entity access to any such information, if in Covered Entity's sole discretion; such information must be made available to the subject seeking access to it.
- d. Business Associate shall promptly incorporate all amendments or corrections to Protected Health information when notified by Covered Entity that such information is inaccurate or incomplete.

7. Audits, Inspection and Enforcement.

- a. From time to time upon reasonable notice, Covered Entity may inspect the facilities, systems, books and records of Business Associate to monitor compliance with this Addendum. Business Associate shall promptly remedy any violation of any term of this addendum and shall certify the same to Covered Entity in writing. The fact that Covered Entity inspects, or fails to inspect, or has the right to inspect Business Associate's facilities, systems and procedures does not relieve Business Associate of its responsibility to comply with this Addendum. Nor does Covered Entity's failure to detect, or to call Business Associate's attention to upon detecting, or to require remediation of any unsatisfactory practice constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights.
- b. Business Associate agrees to make its internal practices, books and records relating to the use and disclosure of Protected Health Information available to the United States Department of Health

and Human Services (“DHHS”) or its agents for the purposes of enforcing the provisions of this Addendum and the HIPAA Regulations.

- c. Covered Entity may terminate the Agreement without penalty if Business Associate violates this Addendum or any provision hereof, irrespective of whether or how promptly, Business Associate may remedy such violation after being notified of the same. In case of any such termination, Covered Entity shall not be liable for the payment of any services performed by Business Associate after the effective date of the termination, and Covered Entity shall be liable to Business Associate in accordance with the Agreement for services provided prior to the effective date of termination.
8. **Termination of Agreement.** At the termination of the Agreement, Business Associate shall destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form and shall retain no copies (in any type of format) of such information.
9. **Indemnification.** Business Associate shall indemnify and hold Covered Entity harmless from and against all claims, abilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitation, attorney’s fees, expert witness fees, and costs of investigation, litigation or dispute resolution, relating to or arising out of any breach or alleged breach of this Addendum by Business Associate.
10. **Disclaimer. COVERED ENTITY MAKES NO WARRANTY OR REPRESENTATION THAT COMPLIANCE BY BUSINESS ASSOCIATE WITH THIS ADDENDUM OR THE HIPAA REGULATIONS WILL BE ADEQUATE OR SATISFACTORY FOR BUSINESS ASSOCIATE’S OWN PURPOSES. NOR DOES COVERED ENTITY MAKE ANY WARRANTY OR REPRESENTATION THAT ANY INFORMATION IN BUSINESS ASSOCIATE’S POSSESSION OR CONTROL, OR TRANSMITTED OR RECEIVED BY BUSINESS ASSOCIATE, IS OR WILL BE SECURE FROM UNAUTHORIZED USE OR DISCLOSURE. NOR SHALL COVERED ENTITY BE LIABLE TO BUSINESS ASSOCIATE FOR ANY CLAIM, LOSS OR DAMAGE RELATED TO THE UNAUTHORIZED USE OR DISCLOSURE OF ANY INFORMATION RECEIVED BY BUSINESS ASSOCIATE FROM COVERED ENTITY OR FROM ANY OTHER SOURCE. BUSINESS ASSOCIATE IS SOLELY RESPONSIBLE FOR ALL DECISIONS MADE BY BUSINESS ASSOCIATE REGARDING THE SAFEGUARDING OF PROTECTED HEALTH INFORMATION.**
11. **Effect on Agreement.** Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Agreement shall remain in force and effect.
12. **Construction.** This Addendum shall be construed as broadly as necessary to implement and comply with HIPAA and the HIPAA Regulations. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies with and is consistent with HIPAA and the HIPAA Regulations.

AGREED AND ACKNOWLEDGED:

BUSINESS ASSOCIATE

COVERED ENTITY

By: LOUISIANA RECOVERY SERVICES, INC. By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____