



Contract

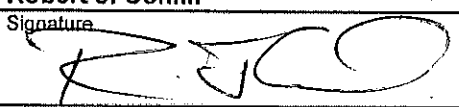
Commodity or Service: Consulting Actuary for
Wisconsin Health Insurance
Programs

Contract No./Request for Proposal No: ETD0012

Contract Period: October 1, 2014 through December 31, 2015

1. This contract is entered into by the State of Wisconsin, Department of Employee Trust Funds hereinafter referred to as the "Department", and between The Segal Company (Eastern States), Inc., hereinafter referred to as the "Contractor", whose address and principal officer appears on page 2. The Department is the sole point of contact for this contract.
2. Whereby the Department of Employee Trust Funds agrees to direct the purchase and the Contractor agrees to supply the contract requirements cited in accordance with the State of Wisconsin standard terms and conditions and in accordance with the Contractor's proposal date February 17, 2014 hereby made a part of this contract by reference.
3. In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employees or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the Contractor further agrees to take affirmative action to ensure equal employment opportunities. The Contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
4. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement. Within fifteen (15) business days after the award of the contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, 608.261.7952, or via e-mail at ETFProcurement@etf.wi.gov.
5. This initial contract period is for fifteen (15) months. Each contract period annually will be for twelve (12) months and extend unless and until either party gives the other 180 days' notice of their intent to cancel the contract.
6. For purposes of administering this Contract, the Order of Precedence is:
 - A). This Contract with The Segal Company (Eastern States), Inc.;
 - B). Questions from vendors and ETF Answers dated January 28, 2014;
 - C). Exhibit A, Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0012;
 - D). Exhibit B, Business Associate Agreement dated July 23, 2014;
 - E). The RFP dated January 6, 2014, and;
 - F). Contractor's proposal dated February 17, 2014.

Contract Number & Service: ETD0012-Consulting Actuary for Wisconsin Health Insurance Programs

State of Wisconsin	
Department of Employee Trust Funds	
By (Name)	
Robert J. Conlin	
Signature	
Title	
Secretary Department of Employee Trust Funds	
Phone	
608.266.0301	
Date (MM/DD/CCYY)	
8/19/14	

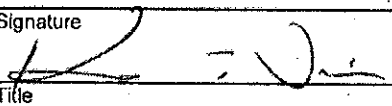
Contractor to Complete	
Legal Company Name	
The Segal Company (Eastern States), Inc.	
Trade Name	
Segal Consulting	
Taxpayer Identification Number	
13-1835864	
Company Address (City, State, Zip)	
2018 Powers Ferry Road, Suite 850 Atlanta, GA 30339-7200	
By (Name)	
Kenneth C. Vieira, FSA, FCA, MAAA	
Signature	
Title	
Senior Vice President	
Phone	
678-306-3154	
Date (MM/DD/CCYY)	
8/18/2014	

Exhibit A

The Segal Company (Eastern States), Inc. Contract: Changes Agreed to by the Parties from the Request for Proposal (RFP) ETD0012 For Services to be provided as the Consulting Actuary to the State of Wisconsin Employee Trust Funds Board for the Health Insurance Programs Offered by the State of Wisconsin Group Insurance Board dated January 6, 2014.

- 1) Delete the following from the RFP

1.1.9. Due Diligence and Errors/Omissions Coverage

The selected vendor shall exercise due diligence in providing services under any contract awarded. In order to protect the Department's governing boards and any Department employee against liability, cost, or expenses (including reasonable attorney fees) which may be insured or sustained as a result of vendor errors or other failure to comply with the terms of the awarded contract, the selected vendor shall maintain errors and omissions insurance in an amount acceptable to the Department in force during the contract period and shall furnish the Department with a certificate of insurance for such amount. Further, this certificate shall designate the State of Wisconsin Employee Trust Funds Board and its affiliated boards as additional insured parties.

- 2) Substitute the following to the RFP

1.1.9 Due Diligence and Errors/Omissions Coverage

The selected vendor shall exercise due diligence in providing services under any contract awarded. In order to protect the Department's governing boards and any Department employee against liability, cost, or expenses (including reasonable attorney fees) which may be insured or sustained as a result of vendor errors or other failure to comply with the terms of the awarded contract, the selected vendor shall maintain errors and omissions insurance in an amount acceptable to the Department in force during the contract period and shall furnish the Department with a certificate of insurance for such amount. Vendor has informed ETF that, to the best of its knowledge, a client has never been listed as an additional insured on its errors and omissions policy. However, vendor warrants that such errors and omissions insurance coverage shall be applicable to the services provided hereunder.

- 3) Delete the following from the RFP

5.3 OWNERSHIP OF MATERIALS

- Except for medical records as defined by Wis. Admin. Code § ETF 10.01 (3m), all information, data, reports and other materials as are existing and available from the Department and which the Department determines to be necessary to carry out the scope of services under this contract shall be furnished to the vendor and shall be returned to the Department upon completion of the contract. The vendor shall not use it for any purpose other than carrying out the work described in the contract. The Department shall not disclose medical records.

- It is agreed that the Department will be furnished without additional charge all data, models, information, reports and other materials associated with and generated under this contract by the vendor.
- The Department shall solely own all customized software, documents, and other materials developed under this RFP. Use of software, documents, and materials by the vendor shall only be with the prior written approval of the Department.
- If used in conjunction with program revenue generating activities with third parties, the Department, vendor, and such third party shall negotiate fee arrangements, which shall include recovery by the Department of development costs associated with the software, documents, or other materials.
- Additional costs to modify software, documents, or other materials developed under this RFP to meet specific requirements of third parties shall be the responsibility of such third parties.

4) Substitute the following to the RFP

5.3 Ownership of Materials

- Except to the extent that they incorporate the vendor's proprietary software, tools, know-how, techniques, methodologies and report formats (collectively, the "Vendor's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by the vendor to the Department under this contract (collectively, the "Deliverables"), are the sole and exclusive property of the Department once paid for by the Department. To the extent Vendor's Proprietary Information is incorporated into such Deliverables, the Department shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Vendor's Proprietary Information as part of the Deliverables internally and for their intended purpose.

5) Delete the following from the RFP

5.5 CONFIDENTIALITY OF PARTICIPANT RECORDS

In addition to the requirements of this section, please refer to the Business Associate Agreement in Appendix H for additional privacy and security requirements.

- (As provided by Wis. Stat. § 40.07 and Wis. Admin. Code § 10.70 (1) and by HIPAA, individual personal information in the Department's records (including but not limited to address, social security number, birth date, marital status, earnings, Wisconsin Retirement System (WRS) contributions, WRS interest crediting, beneficiary designations, WRS creditable service and medical information), is not a public record and must be kept confidential. Confidential information may be disclosed to the vendor under this contract as the Department determines is necessary for the proper administration of this contract, as provided by Wis. Stat. § 40.07 (1) (d) and (3).
- The vendor agrees to maintain the strict confidentiality of individual records supplied to the vendor or its employees under this RFP. In addition, the vendor will only share confidential information with its employees and subcontractors on a need to know basis.
- The vendor agrees not to disclose any information furnished to the vendor or its employees, by the Department including any information derived directly or indirectly

from information furnished by the Department to any person or entity of any description who is not a party to this RFP without express, written approval of the Secretary of the Department in advance.

- Under no circumstances are participant names, addresses, or other data to be used or made available for any purpose other than specifically provided for in this contract.
- All media in the possession of the vendor including, but not limited to diskettes, CD's, files, and written documents containing confidential participant information shall be destroyed or turned over to the Department within 60 calendar days of the completion of this contract. The vendor shall furnish to the Department a written certification that all such media have been destroyed or returned to the Department, unless the Department makes any exceptions to this requirement in writing.

6) Substitute the following to the RFP

5.5 Confidentiality of Participant Records

In addition to the requirements of this section, please refer to the Business Associate Agreement in Appendix H for additional privacy and security requirements.

- (As provided by Wis. Stat. § 40.07 and Wis. Admin. Code § 10.70 (1) and by HIPAA, individual personal information in the Department's records (including but not limited to address, social security number, birth date, marital status, earnings, Wisconsin Retirement System (WRS) contributions, WRS interest crediting, beneficiary designations, WRS creditable service and medical information), is not a public record and must be kept confidential. Confidential information may be disclosed to the vendor under this contract as the Department determines is necessary for the proper administration of this contract, as provided by Wis. Stat. § 40.07 (1) (d) and (3).
- The vendor agrees to maintain the strict confidentiality of individual records supplied to the vendor or its employees under this RFP. In addition, the vendor will only share confidential information with its employees and subcontractors on a need to know basis.
- The vendor agrees not to disclose any information furnished to the vendor or its employees, by the Department including any information derived directly or indirectly from information furnished by the Department to any person or entity of any description who is not a party to this RFP without express, written approval of the Secretary of the Department in advance.
- Under no circumstances are participant names, addresses, or other data to be used or made available for any purpose other than specifically provided for in this contract. Notwithstanding the foregoing, the Department acknowledges and agrees that the vendor may retain an archival copy of the Department's data and information in accordance with the Vendor's disaster recovery and document retention policies, subject to the Vendor's continued compliance with its confidentiality obligations.
- All media in the possession of the vendor including, but not limited to diskettes, CD's, files, and written documents containing confidential participant information shall be destroyed or turned over to the Department within 60 calendar days of the completion of this contract. The vendor shall furnish to the Department a written certification that all such media have been destroyed or returned to the Department, unless the Department makes any exceptions to this requirement in writing.

Appendix D STANDARD TERMS AND CONDITIONS

7) Delete the following from the RFP

23.0 INSURANCE RESPONSIBILITY: The contractor performing services for the State of Wisconsin shall:

23.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

8) Substitute the following to the RFP

23.0 INSURANCE RESPONSIBILITY: The contractor performing services for the State of Wisconsin shall:

23.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

9) Delete the following from the RFP

32.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

10) Substitute the following to the RFP

32.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property to the extent resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

EXHIBIT B

Dated July 23, 2014

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is by and between The Segal Company (Eastern States), ("Segal"), Inc., and the Wisconsin Department of Employee Trust Funds ("ETF"), and acting on behalf of the State of Wisconsin.

RECITALS:

WHEREAS, ETF and SEGAL ("the Business Associate") have executed a contract, pursuant to which SEGAL provides actuarial services for the Health Insurance Programs offered by the State of Wisconsin Group Insurance Board ("Underlying Contract"), and in connection with those services ETF discloses or allows the disclosure to SEGAL of certain information that is subject to protection by the Health Insurance Portability and Accountability Act of 1996, ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act of 2009 as passed as part of ARRA ("HITECH") and their implementing regulations, Title 45, Parts 160 through 164 of the Code of Federal Regulations, as well as by laws and administrative rules of the State of Wisconsin; and

WHEREAS, with respect to its activities pursuant to the Underlying Contract, SEGAL is ETF's Business Associate as that term is defined by HIPAA; and

WHEREAS, it is the intent of this Agreement to comply with state law and with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards in 45 C.F.R. Parts 160 to 164, inclusive (collectively, the "HIPAA Rules"),

WHEREAS, ETF and SEGAL agree to incorporate the terms of this Agreement into the Underlying Contract and agree to incorporate this Agreement into any associated addenda and contract extensions, in order to comply with HIPAA, HITECH and state law.

NOW, THEREFORE, in consideration of these premises and the mutual promises and agreements hereinafter set forth, **ETF and SEGAL hereby agree as follows:**

DEFINITIONS:

It is the intent of this Agreement to comply with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards, including the definitions in 45 C.F.R. Parts 160 to 164, inclusive, as applicable. This Agreement also addresses compliance with Wisconsin laws on confidentiality of personal information. In particular, the following words and phrases in this Agreement have the meanings set forth below, unless the context clearly requires otherwise:

"ARRA" means the American Recovery and Reinvestment Act of 2009.

"Individual Personal Information" has the meaning set forth in Wis. Admin. Code § ETF 10.70 (1).

"Medical Record" has the meaning set forth in Wis. Admin. Code § ETF 10.01 (3m).

"Personal Information" is information that can be used to identify a person and includes, without limitation, **Individually Identifiable Health Information, Individual Personal Information, Medical Records and Protected Health Information.**

"Third Party" means a party other than a subcontractor or agent that ETF has approved.

PART I – OBLIGATIONS OF SEGAL

- A. **Uses and Disclosures.** SEGAL may use or disclose Personal Information it creates for or receives from ETF or any other Business Associate of ETF for only the following, limited purposes:
1. **Permitted Uses and Disclosures of Personal Information.** SEGAL is permitted to use and disclose Personal Information:
 - (a) To provide actuarial services in accordance with the Underlying Contract.
 - (b) Subject to the limitations on Uses and Disclosures outlined in this Segal Agreement, specifically including the State Law Restrictions in Part I, Section B, SEGAL is authorized to
 - (i) use and disclose Personal Information as necessary for SEGAL's proper management and administration and to carry out SEGAL's legal responsibilities, provided that any disclosures under this section are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information 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 Business Associate of any instances of which it is aware in which the confidentiality of the information has been violated,
 - (ii) use and disclose Personal Information as otherwise Required by Law,
 - (iii) use and disclose PHI for purposes of data aggregation services relating to the health care operations of ETF, and
 - (iv) de-identify PHI in accordance with the requirements of 45 CFR §164.514(a)-(c), and use or disclose the information that has been de-identified.
 2. **Prohibition on Unauthorized Use or Disclosure.** SEGAL will not use or disclose Personal Information it creates for or receives from ETF or from another Business Associate of ETF, except as authorized or required by this Agreement or as Required by Law or as otherwise authorized in writing by ETF, including, without limitation, marketing and solicitation of business outside the Underlying Contract and disclosure of such information to third-parties.
 3. **Compliance with Regulations.** SEGAL will comply with:
 - (a) 45 C.F.R. Parts 160 to 164, inclusive, as applicable to a "Segal" of a "Covered Entity" and any other regulations adopted pursuant to HIPAA and HITECH; and
 - (b) Applicable State Law not preempted by 45 C.F.R §§ 160.201 to 160.203, inclusive, or any other federal law.
 4. **State Law Restrictions.** SEGAL shall comply with Wis. Stat. §§ 40.07 and 134.98 with respect to information SEGAL creates for or receives from ETF or from any other Business Associate of ETF. In particular:
 - (a) Any Third Party request, including a subpoena, for disclosure of Personal Information, including, without limitation, Medical Records or Individually Identifiable Health Information, shall be referred to ETF in a timely manner; and
 - (b) SEGAL shall not disclose to any Third Party Individual Personal Information which ETF itself may not disclose pursuant to Wis. Stat. § 40.07(1), or of Medical Records that ETF itself may not disclose pursuant to Wis. Stat § 40.07(2).
- B. **Information Safeguards.** SEGAL will develop, implement, maintain and use reasonable and appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of Personal Information under the control of SEGAL, and to prevent intentional or unintentional non-permitted or violating use or disclosure of Protected Health Information. SEGAL will document and keep these safeguards current and furnish documentation of the

safeguards to ETF upon request. These safeguards will comply with HIPAA, HITECH and their implementing regulations.

C. Reporting of Breach, Improper Use or Disclosure and Security Incidents.

Reporting of Breach, Improper Use or Disclosure. SEGAL will report to ETF the discovery of any breach, use or disclosure of Personal Information, not allowed by this Agreement or in violation of 45 C.F.R. Part 164 or HITECH. An occurrence of a breach, improper use or disclosure or security incident is considered to be discovered as of the first day on which such occurrence is known to SEGAL, or, by exercising reasonable diligence, would have been known to SEGAL.

1. SEGAL shall provide prompt notice to ETF of the occurrence and shall conduct a Risk Assessment, as required at 45 CFR § 164.402. For purposes of reporting under this Section, the definition of Security Incident shall be limited to the successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
2. As soon as practicable, but not later than 30 days after the discovery, SEGAL shall notify ETF's Privacy Officer of any Breach of Unsecured PHI as required at 45 CFR §164.410. Such notice shall include all information required including the following information:
 - (a) The name and contact information of each individual whose Personal Information has been or is reasonably believed to have been accessed, acquired or disclosed during the Breach.
 - (b) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known.
 - (c) A description of the types of Personal Information that were involved in the Breach (e.g., full name, date of birth, Social Security number, account number).
 - (d) A brief description of what SEGAL is doing to investigate the Breach, to mitigate losses and to protect against further Breaches.
 - (e) The actions SEGAL has undertaken or will undertake to mitigate any harmful effect of the Breach.
 - (f) A corrective action plan that includes the steps SEGAL has taken or will take to prevent similar Breaches.
3. SEGAL will be responsible for notifying individuals of the occurrence when ETF and SEGAL agree that notification is necessary and to pay the reasonable cost of such notifications, as well as any costs associated with the breach, improper use or disclosure, including, without limitation, credit monitoring services. SEGAL must obtain ETF's approval of the time, manner and content of any such notifications, provide ETF with copies of the notifications, and provide the notifications within sixty (60) days after discovery of the breach, improper use or disclosure. SEGAL shall have the burden of demonstrating to ETF that all notifications were made as required, including any evidence demonstrating the necessity of any delay beyond the 60 day calendar notification to affected individuals after the discovery of the breach by ETF or SEGAL.

D. Duty to Mitigate Effect of Misuse or Unauthorized Disclosure and Notify Members of Unauthorized Acquisition:

1. SEGAL will mitigate, as required by HIPAA, HITECH, state law and this agreement, to the extent practicable, any harmful effect that is known to SEGAL of a breach, improper use or unauthorized disclosure reported pursuant to subsection D of this section, including the reimbursement of any civil fines or penalties imposed as a result of such breach, improper use or unauthorized disclosure.

2. To the extent not preempted by HIPAA, SEGAL will comply with the provisions of Wis. Stat. §134.98 and any subsequently adopted state law regarding mitigation of privacy breaches, and shall ensure by written contract that any subcontractor or agent with whom it contracts to carry out the provisions of the Underlying Contract also complies with the provisions of Wis. Stat. §134.98 and any subsequently adopted law regarding mitigation of privacy breaches.
- E. **Minimum Necessary.** SEGAL will make reasonable efforts to use, disclose, or request only the minimum amount of Personal Information necessary to accomplish the intended purpose and shall comply with regulations issued pursuant to HIPAA and HITECH.
- F. **Disclosure to SEGAL's Subcontractors and Agents.** SEGAL shall require any of its agents or subcontractors to provide reasonable assurance, evidenced by written contract, that the agent or subcontractor will comply with the same privacy and security obligations as SEGAL with respect to such Personal Information. Before entering into such a contract with an agent or subcontractor, SEGAL shall provide ETF with a copy of the contract and discuss with ETF any concerns that may be raised about the contract.
- G. **Access, Amendment and Disclosure Accounting.**
1. **Access.** At the direction of ETF, SEGAL agrees to provide access to any Protected Health Information held by SEGAL which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its access obligations under HIPAA and HITECH. All fees related to this access, as determined by SEGAL, are the responsibility of the individual requesting the access.
 2. **Amendment.** At the direction of ETF, SEGAL agrees to amend or correct Protected Health Information held by SEGAL and which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its amendment obligations pursuant to HIPAA and HITECH. All fees related to this amendment, as determined by SEGAL, are the responsibility of the individual requesting the access.
 3. **Documentation of Disclosures.** SEGAL agrees to document such disclosures of Protected Health Information and information related to such disclosures so that ETF may meet its obligations under HIPAA and HITECH.
 4. **Accounting of Disclosures.**
 - (a) In accordance with 45 CFR § 164.528, SEGAL shall maintain a process to provide ETF an accounting of disclosures of Protected Health Information for as long as SEGAL maintains Protected Health Information received from or on behalf of ETF. SEGAL agrees to provide to ETF or to an individual, in a time and manner designated by ETF, information collected in accordance with Subsection 3 above, to permit ETF to properly respond to a request by an individual for an accounting of disclosures pursuant to HIPAA and HITECH.
 - (b) Each accounting will provide:
 - (i) The date of each disclosure;
 - (ii) The name and address of the organization or person who received the Protected Health Information;
 - (iii) A brief description of the Protected Health Information disclosed; and
 - (iv) For disclosures other than those made at the request of the subject, the purpose for which the Protected Health Information was disclosed and a copy of the request or authorization for disclosure.
 - (c) For repetitive disclosures which SEGAL makes to the same person or entity, including ETF, for a single purpose, SEGAL may provide:

- (i) The disclosure information for the first of these repetitive disclosures;
 - (ii) The frequency or number of these repetitive disclosures; and
 - (iii) The date of the last of these repetitive disclosures,
 - (iv) SEGAL will make a log of this disclosure information available to ETF within five (5) business days of ETF's request.
- (d) SEGAL need not record disclosure information or otherwise account for disclosures of Protected Health Information if:
- (i) The disclosures are allowed under this Agreement or are expressly authorized by ETF in another written document; and
 - (ii) The disclosures are for one of the following purposes:
 - i. Treatment, Payment or Health Care Operations that are not made through an Electronic Health Record;
 - ii. In response to a request from the Individual who is the subject of the disclosed Protected Health Information, or to that Individual's Personal Representative;
 - iii. Made to persons involved in the health care or payment for the health care of the Individual who is the subject of the disclosed Protected Health Information;
 - iv. For notification for disaster relief purposes;
 - v. For national security or intelligence purposes;
 - vi. As part of a Limited Data Set; or
 - vii. To law enforcement officials or correctional institutions regarding inmates.
- (e) In the event the Implementation Specifications found at 45 CFR 164.528(b) are modified, it shall not be considered a violation of this Agreement for SEGAL to comply with such modified provisions regardless of whether or not this Section G(c) is amended.
5. Disclosure Tracking Time Periods. Except as otherwise provided in this paragraph, SEGAL must have available to ETF the disclosure information required by this section, but in no case will SEGAL be required to have available information from:
- (a) More than six (6) years before ETF's request for the disclosure information; or
 - (b) Any period during which SEGAL did not provide services to ETF.
6. Disclosure Tracking for Disclosures made through Electronic Health Records: SEGAL only needs to provide disclosures for Treatment, Payment or Health Care Operations made through an Electronic Health Record for three years prior to the date on which the accounting is requested. SEGAL shall provide all information necessary for ETF to provide an accounting that includes all information required by regulations issued pursuant to HIPAA and HITECH.
7. Effective Date: The effective date for accounting required under subsection 6 depends on the date ETF acquires an Electronic Health Record. If ETF had an electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF on or after January 1, 2014. If ETF does not have an Electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF after the later of January 1, 2011 or the date ETF acquires an Electronic Health Record.
- H. **Accounting to ETF and Government Agencies.** SEGAL will make its internal practices, books, and records relating to its use and disclosure of Protected Health Information available

to ETF to provide to the U.S. Department of Health and Human Services (HHS) in a time and manner designated by HHS for the purpose of determining ETF's compliance with HIPAA and HITECH. SEGAL shall promptly notify ETF of any inquiries made to it by HHS concerning ETF's compliance with HIPAA.

- I. **Red Flag Rules.** If applicable to SEGAL, SEGAL shall be responsible for implementation of an Identity Theft Monitoring Policy and procedure to protect Personal Information under the Federal Trade Commission regulations known as the "Red Flag Rules."

PART II - ETF OBLIGATIONS

- A. **Changes in Permissions to Use and Disclose Protected Health Information.** ETF shall promptly notify SEGAL of any change in, or revocation of, permission by an individual to use or disclose Protected Health Information, to the extent that such change may affect SEGAL's use or disclosure of such Protected Health Information.
- B. **Changes in ETF's Notice of Privacy Practices.** ETF shall provide SEGAL with a copy of ETF's Notice of Privacy Practices and shall notify SEGAL of any change made to the Notice of Privacy Practices, to the extent that such change may affect SEGAL's efforts to comply with this Agreement.
- C. **Changes in State Law.** ETF shall notify SEGAL of any relevant change in Wisconsin law, to the extent that such change may affect SEGAL's efforts to comply with this Agreement.
- D. ETF shall notify CONSULTANT of any restriction on the use or disclosure of PHI that it has agreed to or is required to abide by under 45 CFR §164.522, to the extent that such restriction may affect CONSULTANT's use or disclosure of PHI.
- E. ETF shall not request CONSULTANT to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by ETF, except to the extent that such use or disclosure is for the purposes set forth above in Section A(1)(b)(i) and (ii).

PART III - TERM, TERMINATION AND AMENDMENT

- A. **Term.** This Agreement becomes effective on the effective date of the Underlying Contract. The Agreement is co-extensive with the term of the Underlying Contract, including any extensions made to the original Underlying Contract.
- B. **Termination for Breach.** Either party may terminate this Agreement if the other violates a material term of the Agreement, provided that the non-breaching party provides the breaching party with no less than 30 days in which to cure such violation prior to termination becoming effective. However, if the non-breaching party reasonably and in good faith determines that the violation is not curable, it may terminate this Agreement immediately upon written notice to the breaching party. Upon termination of this Agreement, the Underlying Contract also shall terminate to the extent that it requires SEGAL to access, use, disclose and/or maintain PHI in order to provide the Services.
- C. **Effect of Termination: Return or Destruction of Protected Health Information.**
Upon termination, cancellation, expiration, or other conclusion of the Agreement, SEGAL shall:
 1. Return to ETF or, if return is not feasible, destroy all Personal Information in whatever form or medium that SEGAL received from or created on behalf of ETF. This provision shall also apply to all Personal Information that is in the possession of subcontractors or agents of SEGAL. In such case, SEGAL shall retain no copies of such information, including any compilations derived from and allowing identification of Personal Information. SEGAL shall complete such return or destruction as promptly as possible, but not more than thirty (30)

days after the effective date of the conclusion of this Agreement. Within such thirty (30) day period, SEGAL shall certify on oath in writing to ETF that such return or destruction has been completed.

2. If SEGAL destroys Personal Information, it shall be done with the use of technology or methodology that renders the Personal Information unusable, unreadable, or undecipherable to unauthorized individuals as specified by HHS in HHS guidance for the destruction of Protected Health Information. Acceptable methods for destroying Personal Information include: (i) paper, film, or other hard copy media shredded or destroyed in order that Personal Information cannot be read or reconstructed; and (ii) electronic media cleared, purged or destroyed consistent with the standards of the National Institute of Standards and Technology (NIST). HHS specifically excluded redaction as a method of destruction of Protected Health Information, unless the information is properly redacted so as to be fully de-identified.
 3. If SEGAL believes that the return or destruction of Personal Information is not feasible, SEGAL shall provide written notification of the conditions that make return or destruction infeasible and shall extend the protections of this Agreement to Personal Information received from or created on behalf of ETF, and limit further uses and disclosures of such Personal Information, for so long as SEGAL maintains the Personal Information. ETF understands that CONSULTANT's need to maintain portions of the PHI in records of actuarial determinations and for other archival purposes related to memorializing advice provided will render return or destruction infeasible.
- D. **Agreement to Amend Agreement.** The parties to this contract acknowledge that federal laws relating to transactions, security and privacy are rapidly evolving and that amendment to this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, HITECH and their implementing regulations. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, HITECH and applicable federal regulations. If this Agreement is not amended by the effective date of any final regulation or amendment to final regulations with respect to HIPAA and HITECH, this Agreement will automatically be amended on such effective date such that the obligations they impose on the parties remain in compliance with the regulations then in effect.

PART IV – GENERAL PROVISIONS


- A. **Conflict.** The provisions of this Agreement override and control any conflicting provision of the Underlying Contract. All non-conflicting provisions of the Underlying Contract remain in full force and effect.
- B. **Election to Not Treat As Representative.** Nothing in this Agreement shall be construed to limit the discretion of ETF, under 45 C.F.R. § 164.502 (g) (5), to elect not to treat a person as the representative of an individual.
- C. **No Third Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any entity other than ETF and SEGAL, any rights, remedies, obligations or liabilities whatsoever.
- D. **Documentation.** All documentation that is required by this Agreement or by 45 C.F.R. Part 164 will be retained by SEGAL for six (6) years from the date of creation or when it was last in effect, whichever is longer.
- E. **Survival.** The parties' obligations and rights, with respect to SEGAL's engagement to provide services, will be unaffected by the termination of the Underlying Contract and this Agreement.

In particular, the provisions of Part III, Sections D and E, and this section, shall survive termination of the Underlying Contract and this Agreement.

- F. **Regulatory References.** A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- G. **Interpretation.** Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules
- H. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile or Portable Document Format (PDF) copies thereof shall be deemed to be originals.
- I. **Informal Resolution.** If any controversy, dispute, or claim arises between the parties with respect to this Agreement, the parties shall make good faith efforts to resolve such matters informally.
- J. **Notices.** All notices to be given pursuant to the terms of this Agreement shall be in writing and shall be sent certified mail, return receipt requested, postage prepaid or by courier service. If to Covered Entity, the notice shall be sent to such address as ETF notifies CONSULTANT of in writing. If to CONSULTANT, the notice shall be sent to the Privacy Official, c/o General Counsel, The Segal Group, 333 West 34th Street, New York, New York 10001.

The Segal Company (Eastern States), Inc.
Company Name: _____ Date: 8/18/2014

Kenneth C. Vieira, FSA, FCA, MAAA
Authorized Person: _____ Phone: 678-306-3154
(Print or type)



(Signature of authorized person)