HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement ("BAA") is entered by Town of Allenstown, on behalf of Town of Allenstown's Plan (the "Plan" or "Covered Entity"), and HealthTrust, Inc. ("HealthTrust" or "Business Associate") effective as of January 1, 2018 (the "Effective Date") in order to comply with the applicable requirements of HIPAA, the HIPAA Rules and the HITECH Act. This BAA replaces and supersedes any prior HIPAA Business Associate Agreement between the parties.

The Plan is a Covered Entity for purposes of HIPAA and the HIPAA Rules. HealthTrust has been retained to furnish certain administrative services with respect to the Plan pursuant to a Benefit Advantage Services Agreement effective January 1, 2018 (the "Services Agreement"). In carrying out its obligations under the Services Agreement, HealthTrust will act as a Business Associate of the Plan and will have access to, receive, maintain, use, transmit and/or create confidential health care information of or on behalf of the Plan, some of which will constitute Protected Health Information ("PHI").

Covered Entity and Business Associate desire and mutually agree to conduct their respective activities in compliance with HIPAA, the HIPAA Rules, the HITECH Act, and other applicable law, including to protect the privacy and provide for the security of PHI disclosed to, and/or accessed, used, created, transmitted or maintained by Business Associate (or its Subcontractors) in performing its services under the Services Agreement, and to that end are entering into this HIPAA Business Associate Agreement. The parties agree to incorporate into this BAA any additional obligations under HIPAA Rules issued during the term of the Services Agreement that are applicable and relate to the obligations of Covered Entities and/or Business Associates.

Accordingly, the parties agree as follows:

Section 1. Definitions

(a) "Business Associate" shall generally have the same meaning as in 45 CFR §160.103, and in reference to the party to this BAA, shall mean HealthTrust, Inc.

(b) "Covered Entity" shall generally have the same meaning as the term "covered entity" under the HIPAA Rules, and in reference to the party to this BAA, shall mean the Plan.

(c) "HIPAA" shall mean Title II of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as amended.

(d) "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160, Part 162 and Part 164, as amended and shall include both the "Privacy Rule" and "Security Rule."

(e) "HITECH Act" shall mean the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act, Pub. L. No. 111-5.

(f) "Plan" shall mean the Health Flexible Spending Account (Health FSA) component(s) of the Section 125 Flexible Benefits Plan and/or the Health Reimbursement Arrangement (HRA) Plan for which services are provided by HealthTrust pursuant to the Services Agreement. Each such Plan is a "Group Health Plan" as defined by 45 CFR §160.103.

(g) "Protected Health Information and PHI" shall mean protected health information as defined in 45 CFR §160.103 and shall include Electronic Protected Health Information (EPHI), but limited to the PHI of the Plan.

(h) "Secretary" shall mean the Secretary of the federal Department of Health and Human Services.

Capitalized terms used but not otherwise defined in this BAA shall have the same meaning as given those terms in the applicable HIPAA Rules.

Section 2. Obligations and Activities of Business Associate

Business Associate agrees to:

(a) Not use or disclose PHI other than as necessary or advisable to perform its service obligations specified in the Services Agreement or as otherwise permitted or required by this BAA or as Required by Law;

(b) Use appropriate safeguards and comply, where applicable, with Subpart C of 45 CFR Part 164 with respect to EPHI, to prevent use or disclosure of the PHI other than provided for by this BAA. Without limiting the foregoing, Business Associate agrees to implement and maintain appropriate administrative, physical, and technical safeguards designed to prevent the unauthorized use and disclosure of PHI, and to protect the confidentiality, integrity, and availability of EPHI as and to the extent required by 45 CFR §§164.306, 164.308, 164.310, 164.312, and 164.316, as may be amended from time to time;

(c) Mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate or by a Subcontractor of Business Associate in violation of the requirements of this BAA;

(d) Promptly report to Covered Entity any use or disclosure of PHI not permitted by this BAA of which Business Associate becomes aware, including any Breach of Unsecured PHI as required by 45 CFR §164.410. Business Associate will treat any Breach as being "discovered" in accordance with the HIPAA Rules. Business Associate will make an initial report in writing to the Covered Entity without unreasonable delay, but no later than twenty (20) business days after Business Associate discovers such non-permitted use or disclosure. Business Associate's report shall include at least the following information:

(1) the identity of each Individual whose information was accessed, acquired or disclosed during the Breach;

(2) a brief description of what happened;

(3) the date of discovery of the Breach;

(4) the nature of the PHI that was involved (e.g., health information, social security numbers, date of birth, etc.), and whether it was Unsecured PHI;

(5) any steps affected Individuals should take to protect themselves from potential harm resulting from the Breach;

(6) a brief description of what the Business Associate is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against any further Breaches; and

(7) such other information as the Covered Entity may reasonably request and/or is required for Covered Entity to meet its notice obligations under 45 CFR §164.404 with respect to a Breach.

The parties recognize that some of the above information that must be reported may not be immediately available to Business Associate. Business Associate should collect and provide such information to Covered Entity as it becomes available, without unreasonable delay, but in each case a detailed report of the above categories of information shall be provided to Covered Entity no later than thirty (30) calendar days after Business Associate's initial report to Covered Entity pursuant to the first paragraph of this Subsection 2(d). Business Associate shall continue to supplement any such report(s) with additional relevant information as and when such information subsequently becomes available to Business Associate.

Business Associate shall reasonably cooperate with and assist Covered Entity in investigating the Breach and in meeting Covered Entity's obligations under the HIPAA Rules, the HITECH Act and other applicable Breach notification laws. In addition to providing notice to Covered Entity of a Breach, upon Covered Entity's request and to the extent permitted by law, Business Associate will provide any required notice to Individuals and applicable regulators on behalf of Covered Entity. Unless Covered Entity makes such a request of Business Associate, Covered Entity shall be responsible for providing any required notices to affected Individuals and applicable regulators. The parties agree that Business Associate shall only be responsible for its obligations under this subsection (d), including providing said required notices to Individuals and applicable regulators, if the Breach or other unauthorized use or disclosure results from the material acts or omissions of Business Associate or its Subcontractors.

Security Incidents. In addition, Business Associate shall notify the Covered Entity without unreasonable delay of any security incident of which Business Associate becomes aware. A "security incident" is a material attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system involving EPHI of Covered Entity. If any such Security Incident results in a Breach or other unauthorized use or disclosure that is required to be reported under the first paragraph of this subsection 2(d) above, Business Associate will provide the required reports in accordance with such paragraph. The parties acknowledge and agree that this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which no additional notice to Covered Entity shall be required. "Unsuccessful Security Incidents" shall include, but not be limited to, pings and other broadcast attacks on Business Associate's (or Subcontractors of Business Associate's) firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI;

(e) In accordance with applicable provisions of the HIPAA Rules, ensure that any Subcontractor that creates, receives, maintains or transmits PHI of Covered Entity on behalf of Business Associate agrees in a written Business Associate Agreement to the same restrictions, conditions and requirements that apply through this BAA to Business Associate with respect to such information;

(f) Upon written request from Covered Entity or an Individual, make available PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual as necessary to satisfy Covered Entity's obligations under 45 CFR §164.524;

(g) Make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR §164.526 at the request of Covered Entity or an Individual, and/or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.526 as reasonably requested by Covered Entity;

(h) Make its internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Rules;

(i) Maintain and document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity or Business Associate to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528;

(j) In not more than ten (10) business days, make available to Covered Entity or an Individual information collected in accordance with Section 2(i) of this BAA, to provide and satisfy the requirements for an accounting of disclosures of PHI in accordance with 45 CFR §164.528;

(k) To the extent the Business Associate is to carry out one or more of Covered Entity's obligations under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligations; and

(l) Comply with each applicable requirement for Standard Transactions established in 45 CFR Part 162 when conducting all or part of a Standard Transaction electronically for, on behalf of, or with Covered Entity.

Section 3. Permitted Uses and Disclosures by Business Associate

(a) General Use and Disclosure Provisions

Except as otherwise limited by this BAA, Business Associate may use or disclose PHI to perform or improve functions, activities, or services for, or on behalf of, Covered Entity pursuant to the Services Agreement, provided that such use or disclosure would not violate the HIPAA Rules if done by Covered Entity (except as set forth in Section 3(b)(1)(2) and (3)) and subject to the Minimum Necessary policies and procedures of Covered Entity.

Minimum Necessary and Limited Data Set. Business Associate's use, disclosure or request of PHI shall utilize a Limited Data Set, if practicable. Otherwise, Business Associate will make reasonable efforts to use, disclose, and request only the minimum amount of Covered Entity's PHI reasonably necessary to accomplish the intended purpose of the use, disclosure or request, except that Business Associate will not be obligated to comply with this Minimum Necessary limitation if neither Business Associate nor Covered Entity is required to limit the use, disclosure or request to the Minimum Necessary. Business Associate and Covered Entity acknowledge that the phrases "Minimum Necessary" and "Limited Data Set" shall be interpreted in accordance with the HITECH Act and the HIPAA Rules.

(b) Specific Use and Disclosure Provisions

(1) Except as otherwise limited by this BAA or the HIPAA Rules, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(2) Except as otherwise limited by this BAA or the HIPAA Rules, Business Associate may disclose PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided:

(i) disclosure is Required By Law, or

(ii) Business Associate obtains reasonable assurances, evidenced by a written contract, from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as Required By Law or for the purpose for which it was disclosed by Business Associate to the person, and the person promptly notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(3) Except as otherwise limited by this BAA, Business Associate may use PHI to provide Data Aggregation services to the Covered Entity as permitted by 45 CFR §164.504(e)(2)(i)(B).

(i) PHI Use. Business Associate may use Covered Entity's PHI as necessary for Business Associate to perform Data Aggregation services, and to create De-identified Information, Summary Health Information and/or Limited Data sets.

(ii) PHI Disclosure. Business Associate may disclose, in conformance with the HIPAA Rules, Covered Entity's PHI to make Incidental Disclosures and to make disclosures of De-identified Information, Limited Data Set Information, and Summary Health Information.

(4) Business Associate may use or disclose PHI as Required by Law; or to report violations of law to appropriate Federal and State authorities consistent with 45 CFR §164.502(j)(1).

(5) Business Associate may use or disclose PHI pursuant to a written authorization that meets the requirement of 45 CFR §164.508; or as authorized in writing by the Covered Entity.

(6) Covered Entity acknowledges and agrees that the HIPAA Rules allow the Covered Entity to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan Sponsor has amended its Plan documents to provide for the permitted and required uses and disclosures of PHI and to ensure the Plan Sponsor provides a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor. Covered Entity hereby warrants and represents that Plan documents have been so amended and adoption of the Plan by the Plan Sponsor constitutes such certification. As such, Business Associate may disclose such PHI to the Plan Sponsor consistent with the HIPAA Rules, the Services Agreement and applicable Plan documents.

Section 4. Obligations of Covered Entity

Covered Entity shall:

(a) Notify Business Associate of any limitation(s) in its Notice of Privacy Practices in accordance with 45 CFR §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI;

(b) Notify Business Associate of any changes in, or revocation of, the permission by an Individual to use or disclose PHI of which Covered Entity becomes aware, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(c) Notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI; and

(d) Not request Business Associate to use or disclose PHI in any manner that would not be permissible under 45 CFR Part 164, Subpart E if done by the Covered Entity, (except as provided above in section 3(b)(1)(2) and (3)).

Section 5. Term and Termination

(a) Term. This BAA shall become effective as of the Effective Date and shall terminate upon termination of the Services Agreement when all of the PHI provided by Covered Entity to Business Associate, or created, maintained or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if not feasible to return or destroy PHI, protections are extended to such information in accordance with Section 5(c) below.

(b) Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate of any of its obligations under this BAA, Covered Entity shall either:

(1) provide an opportunity for Business Associate to cure the breach or end the violation, and terminate the Services Agreement and this BAA if Business Associate does not cure the breach or end the violation within a reasonable time period; or

(2) terminate the Services Agreement and this BAA if Business Associate has breached a material term of this BAA and cure is not reasonably possible.

(c) Obligations of Business Associate Upon Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of the Services Agreement and this BAA for any reason, Business Associate shall, if feasible, return or destroy all PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity. This provision shall also apply to PHI that is in the possession of Subcontractors of Business Associate. Business Associate shall retain no copies of the PHI.

(2) The parties agree that upon termination of the Services Agreement and this BAA, destruction or return of all PHI is not feasible given the regulatory requirements to maintain and produce such information for extended periods of time after such

termination. To the extent that Business Associate determines that returning or destroying the PHI is not feasible for these or other reasons, Business Associate shall (and shall require its Subcontractors to) extend the protections of this BAA to such PHI, and shall limit further uses and disclosures of such PHI to those purposes that make the return or destruction not feasible, for so long as Business Associate (or Subcontractor) maintains such PHI.

(d) Survival. The respective rights and obligations of Business Associate to protect the privacy and security of PHI under Section 5(c) of this BAA shall survive the termination of this BAA and the Services Agreement.

Section 6. Miscellaneous

(a) Regulatory References. A reference in this BAA to a section in the HIPAA Rules means the section in effect, or as amended.

(b) Amendment. The parties agree to take such action as is necessary to amend this BAA from time to time as is necessary for Covered Entity and/or Business Associate to comply with changes in applicable law or the HIPAA Rules. The parties further agree that, until such time as an amendment may be entered into, this BAA shall automatically be amended to comply with the applicable law and regulations as of the relevant effective date(s) of any such change.

(c) Interpretation. Any ambiguity in this BAA or the Services Agreement shall be resolved to permit Covered Entity and Business Associate to comply with HIPAA, the HIPAA Rules, and the HITECH Act.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this HIPAA Business Associate Agreement on the date(s) indicated below.

TOWN OF ALLENSTOWN, on behalf of the Plan (Covered Entity)	**HEALTHTRUST, INC. (Business Associate)**
By:_____	By:_____
Name:_____	Name: Wendy Lee Parker
Title:_____	Title: Executive Director
Date:_____	Date:_____