



Request for Information:

Louisiana Health Care Data Reporting System

Louisiana Department of Health and Hospitals
Office of the Secretary
Division of Information Technology

RFI # 305PUR-DHHRFI-DATAREPORTINGSYS-MVA

Proposal Due Date/Time:
4:30 P.M. CDT October 18, 2013

Release Date: September 20, 2013

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Glossary

Act 537 of 2008: The Louisiana Health Care Consumers' Right to Know Act

AS: Ambulatory Surgery

Contractor: Any organization or entity, public or private, awarded the RFP's expectant resulting Contract with the DHH System.

Department or DHH: Department of Health and Hospitals

Department of Health and Hospitals: Louisiana state executive branch agency whose mission is to promote health and ensure access to medical, preventive and rehabilitative services for all citizens of the State of Louisiana.

ED: Emergency Department,

HiTECH: Health Information Technology for Economic and Clinical Health

Health Insurance Portability and Accountability Act (HIPAA)- The HIPAA Privacy Rule provides Federal protections for personal health information (PHI) held by covered entities and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.

IP: Inpatient

Must: Denotes a mandatory requirement

Original: Denotes must be signed in ink

Proposal: Document(s) submitted by the responsible Respondent pursuant to the Request for Information (RFI).

Respondent: One who submits a response to the RFI.

RFI: Request For Information

RFP: Request For Proposal

Shall: Denotes a mandatory requirement

Should, May, Can: Denotes a preference, but not a mandatory requirement

State: State of Louisiana.

Will: Denotes a mandatory requirement

I. General Information

A. Background

The mission of the Department of Health and Hospitals (DHH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. The Department is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of services of others, and the utilization of available resources in the most effective manner.

The Louisiana Health Care Consumers' Right to Know Act (Act 537 of 2008) mandates that DHH collect and publish a broad range of health care information to give health care consumers expanded, web-based access to reliable information on the cost, quality, and performance of their health care providers and health plans. The bill was proposed by Governor Bobby Jindal and State Senator Willie Mount, Chair of the Senate Health and Welfare Committee.

B. Project Overview

By virtue of Act 537 of 2008, DHH seeks inpatient (IP), emergency-department (ED), and ambulatory-surgery (AS) data collection, cleaning, updating, auditing, certification, storage, and technical-support services from a single vendor (hereafter referred to as the *contractor*) experienced in the collection of administrative health care data in the required formats. The data collected, processed, and disseminated from this system will allow consumers to compare health care providers across a range of objective performance categories and enable them to make informed health care-buying decisions based on access, quality, efficiency, and affordability, among other factors.

C. Purpose of the Request For Information

1. This Request for Information (RFI) is issued by the DHH Office of the Secretary, Division of Information Technology for the purpose of collecting information and costs from qualified companies which can show a demonstrated capacity to design and maintain a health care-data collection and processing system.
2. The Department welcomes all responses to this RFI which will be utilized to learn of potential interest and the estimated cost of contracting for these services. The knowledge gained from these responses may be used to formulate a Request for Proposal (RFP) for some or all services requested under project overview and herein.

D. Resources Available to Respondent

1. The Department has a Health Care Data Reporting page on its website dedicated to the health care data collection and dissemination project. The page contains resources for participating health care facilities, including the *Louisiana Health Care Data Specifications Manual* (hereafter referred to as the *Manual*). The address is <http://www.dhh.la.gov/index.cfm/page/1634>.

E. RFI Coordinator

Written questions and RFI responses must be directed to the RFI coordinator listed below:

Robert J. Starszak
Department of Health and Hospitals
Office of the Secretary
Division of Information Technology
P.O. Box 3013
Baton Rouge, LA 70821-3013
Phone: (225) 342-7439
Fax: (225) 342-8514
Email: Robert.Starszak@la.gov

1. All communications relating to this RFI must be directed to the DHH RFI Coordinator named above. All communications between respondents and other DHH staff members concerning this RFI will be strictly prohibited.

2. This RFI is available in .pdf format at the following online links:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/46>

F. Respondent Inquiries

1. The Department will consider written inquiries regarding the requirements of the RFI or Scope of Services to be provided before the date specified in the Schedule of Events. To be considered, written inquiries and requests for clarification of the content of this RFI must be received at the above address or via the above fax number or e-mail address by the date specified in the Schedule of Events. Any and all questions directed to the RFI Coordinator will be deemed to require an official response and a copy of all questions and answers will be posted by the date specified in the Schedule of Events to the following online link:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

Questions and answers may also be posted at:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/46>

2. Action taken as a result of verbal discussion will not be binding on the Department. Only written communication and clarification from the RFI Coordinator will be considered binding.

G. Schedule of Events

DHH reserves the right to revise this Schedule of Events

| Schedule of Events | |
|---|-------------------------------------|
| Public Notice Of RFI | September 20, 2013 |
| Deadline For Receipt Of Written Questions | 4:30 P.M. CDT September 27, 2013 |
| Response To Written Questions Published | October 4, 2013 |
| Deadline For Receipt Of RFI | 4:30 P.M. CDT October 18, 2013 |

H. Proposal Preparation Cost

DHH will not pay for the preparation of any information or response submitted in reference to this RFI, nor will the Department pay for any use of response information. The respondent assumes sole responsibility for any and all costs and incidental expenses associated with the preparation and reproduction of any proposal submitted in response to this RFI. The respondent will not include these costs or any portion thereof in the proposed cost. This RFI is for planning purposes only and should not be construed as an RFP; therefore, the Department will not pay for any use of response information.

I. Proprietary and/or Confidential Information

Pursuant to the Louisiana Public Records Act (La. R.S. 44:1 et. seq.), all public proceedings, records, contracts, and other public documents relating to this RFI shall be open to public inspection. Respondents should refer to the Louisiana Public Records Act for further clarification, including protections sought for proprietary and/or trade secret information. Respondents are reminded that cost proposals will not be considered confidential under

any circumstance and that protections for technical proposals must be claimed by the respondent at the time of submission of its technical proposal.

J. Client Confidentiality

The contractor must be compliant with all DHH and HIPAA guidelines and the federal HiTECH Act of 2009. Confidential information will include not only sensitive health and risk-related information, but also client personal identifiers, potentially identifying information, and any other information provided to the contractor for which confidentiality was assured when the individual or establishment provided the information. Extremely stringent standards of client confidentiality must be maintained. The use of client information for commercial purposes is prohibited.

K. Proposal Submission

Proposals must be submitted via U.S. Mail, courier, or hand-delivered to:

If courier mail or hand-delivered

Robert J. Starszak

Department of Health and Hospitals
Office of the Secretary
Division of Information Technology
628 N. 4th St., 3rd Floor, Cubicle #336-19
Baton Rouge, LA 70802-5342

If delivered via U.S. Mail

Robert J. Starszak

Department of Health and Hospitals
Office of the Secretary
Division of Information Technology
P.O. Box 3013
Baton Rouge, LA 70821-3013

All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered. It is the sole responsibility of each respondent to assure that its proposal is delivered at the specified location prior to the deadline. Proposals which, for any reason, are not so delivered will not be considered.

L. Ownership of Proposal

All proposals become the property of DHH and will not be returned to the respondent. The Department retains the right to use any and all ideas or adaptations of ideas contained in any proposal received in response to this solicitation. Selection or rejection of the offer will not affect this right. Once a contract is awarded, all proposals will become subject to the Louisiana Public Records Act.

M. Proposal Format

1. An item-by-item response to the RFI is requested.
2. There is no intent to limit the content of the proposals, and respondents may include any additional information deemed pertinent. Emphasis should be on simple, straightforward, and concise statements of the respondent's ability to satisfy the requirements of the RFI.

II. Requirements and Response

A. System Requirements

1. The contractor will provide full service website architecture, design, development, and content management system for a secure, HIPAA-compliant, private portal. The website will be for licensed hospitals and ambulatory surgical centers (ASCs) to be able to log in to the website to submit their respective health care data, view their data, and resubmit data if necessary. DHH is expecting up to 325 users but the system will be designed to allow expansion in the number of users.
2. The contractor will advise DHH on how the portal will be designed and developed.
3. Contractor staff will include individuals with substantial experience in: use of electronic health care claims data; working with integration and management of large datasets; quality assurance; health care data privacy; data security; management of complex projects involving data collection from multiple organizations; web services; reporting; and collaborative relationship with external data submitters. The contractor will advise DHH if equally-qualified subcontractors will be used in the development and/or maintenance of the system.
4. The contractor will establish notification procedures that are in correlation with state and federal laws related to the unauthorized release of collected data. The contractor will immediately notify the DHH Contract Monitor in the event of an unauthorized release of data.
5. The contractor will employ security measures and technologies to minimize opportunities for intentional or inadvertent unauthorized access to and release of Louisiana health care data as collected and managed under DHH specifications. As part of this task, the contractor will also provide a detailed plan and description of capabilities for the secure receipt, management, storage, release, and transmission of data, including a disaster recovery plan.
6. The contractor will provide adequate secure systems backup and recovery procedures to ensure complete restoration of Louisiana data within a period of time determined by DHH in the event of a serious incident. The contractor must describe how its proposed technology will support the restoration. This plan will also describe the steps to be taken for dealing with and disposing of defective hardware that contained Louisiana health care data.
7. The contractor will provide documentation relating to the computer environment used to accommodate the data submitted by Louisiana health care facilities. This documentation needs to state, but not be limited to, the hardware and software used to house the data submitted by facilities.
8. The contractor will provide the DHH Contract Monitor with a status report describing each health care facility's compliance with reporting requirements in terms of whether each facility met data-submittal requirements including, but not limited to, data-submittal standards, completeness, and initial overall quality.
9. The data collection and processing system will be operational and available for testing by June 1, 2014.

B. Receipt and Processing of Datasets

1. The contractor will coordinate with each licensed hospital and ASC in Louisiana (either directly or through an authorized third-party intermediary) to submit patient-level IP, ED, and/or AS datasets quarterly to the contractor which include clinical, demographic, and charge information for each discharge or visit in a format defined by DHH based on the most recent standards established by the National Uniform Billing Committee and the

American National Standards Institute, Accredited Standards Committee X12 (in the case of the latter, 837I claim format, version 5010 specifically).

2. A description of each data element is located in the *Louisiana Health Care Specifications Manual* at the following web address:

<http://dhh.louisiana.gov/index.cfm/page/1634>

3. The contractor will process the data submitted by the health care facilities, which includes, but is not limited to, performing the following tasks:

a. Identifying, documenting, and communicating facility-specific data processing issues to the DHH Contract Monitor and facility representatives for resolution.

b. Performing edit checks on the data. The contractor will develop and apply edit checks as directed by DHH in the most recent version of the *Manual* and contact facilities for corrections and resubmittals. Examples of error checks include:

- Duplicate encounters
- Edits for invalid procedure/diagnosis codes
- Edits for sex- and age-specific procedure/diagnosis codes

4. The contractor will develop, generate, and disseminate reports (including percent error) for facility representatives and DHH staff. Examples of reports include:

- Facility compliance (quarterly)
- Error reports by facility

5. Upon receipt of revised data (resubmittals prior to the final data-submittal due date), the contractor will rerun the data editing and processing programs.

6. The contractor will group and provide risk adjustments based on: 3M software and Centers for Medicare & Medicaid Services standards and requirements; Agency for Health Care Research & Quality quality indicators; and any other quality reports as specified by DHH.

7. The contractor will perform matching of patient-specific records.

8. The contractor will propose data structures of normalized and de-normalized files.

9. The contractor will recognize DHH as the sole owner of the Louisiana health care data the contractor collects and processes. The contractor will be responsible for following any policies and procedures DHH establishes for the collection and management of such data, including all data-submittal timelines and deadlines as specified in the most recent version of the *Manual*.

10. The contractor will be strictly prohibited from releasing or using for any purposes the health care data it collects and processes on behalf of DHH. Failure to comply may be a violation of Louisiana laws and rules and lead to enforcement actions and potential voiding of the contract.

11. The contractor will advise the DHH Contract Monitor if health care facilities will be charged for their use of the data-collection system when submitting their respective files. If a charge is required, the contractor will report the amount.

C. DHH Technical Requirements

1. The contractor is responsible for procuring and maintaining hardware and software resources which are sufficient to successfully perform the services detailed in this RFI.

2. The contractor will adhere to federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFI.
3. The contractor shall clearly identify any systems or portions of systems outlined in the proposal which are considered to be proprietary in nature.
4. Unless explicitly stated to the contrary, the contractor is responsible for all expenses required to obtain access to DHH systems or resources which are relevant to successful completion of the requirements of this RFI. The contractor is also responsible for expenses required for DHH to obtain access to the contractor's systems or resources which are relevant to the successful completion of the requirements of this RFI. Such expenses are inclusive of hardware, software, network infrastructure, and any licensing costs.
5. Any confidential information must be encrypted to FIPS 140-2 standards when at rest or in transit.
6. Contractor-owned resources must be compliant with industry standard physical and procedural safeguards for confidential information (e.g., NIST 800-53A, ISO 17788).
7. Any contractor use of flash drives or external hard drives for storage of DHH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
8. All contractor-utilized computers and devices must:
 - a. Be protected by industry standard virus protection software which is automatically updated on a regular schedule.
 - b. Have all security patches installed which are relevant to the applicable operating system and any other system software

D. Technical Support to Reporting Facilities

The contractor will provide ongoing training, orientation, and technical assistance to new and existing reporting facilities related to data-submittal technical specifications, methodology, and other relevant information as directed by DHH. Likewise, the contractor will work with facility staff to ensure submittal of complete and accurate data that meet acceptable standards for processing and reporting.

III. Attachments

Attachment I: Act 537 of 2008

Attachment II: Total Cost Summary Schedule

Attachment III: List of Required Hardware

Attachment IV: HIPAA Business Associate Addendum

Act 537 of 2008**SENATE BILL NO. 287 (ACTS 2008, NO. 537 OF THE LOUISIANA LEGISLATURE)**

ENROLLED

BY SENATORS MOUNT, ALARIO, BROOME, CASSIDY, CHEEK, DONAHUE, ERDEY, N. GAUTREAUX, GRAY, JACKSON, LAFLEUR, MICHOT, NEVERS, SMITH AND THOMPSON AND REPRESENTATIVES ARNOLD, BOBBY BADON, BARROW, BURFORD, HENRY BURNS, CARMODY, CORTEZ, DOERGE, DOWNS, ELLINGTON, ELBERT GUILLORY, GUINN, HARRISON, HAZEL, HENRY, HINES, HONEY, GIROD JACKSON, MICHAEL JACKSON, KATZ, LEGER, LIGI, LOPINTO, MCVEA, MILLS, NOWLIN, PEARSON, POPE, RICHARDSON, RICHMOND, RITCHIE, SIMON, JANE SMITH, PATRICIA SMITH, ST. GERMAIN, TALBOT, TRAHAN, WILLIAMS AND WILLMOTT

To amend and reenact Part L of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 40:1300.111 through 1300.114, relative to health care data reporting; to provide for Louisiana health care consumers' right to know; to provide for the collection and publication of provider specific health care quality and outcome data by the Department of Health and Hospitals; to provide for the membership of the Health Data Panel; to provide for penalties; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Part L of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 40:1300.111 through 1300.114, is hereby amended and reenacted to read as follows:

PART L. LOUISIANA HEALTH CARE CONSUMERS' RIGHT TO KNOW**1300.111. Findings**

The legislature finds that as a result of rising health care costs, the shortage of health professionals and health care services in many areas of the state, and the concerns expressed by consumers, health care providers, third-party payers, and others involved with making informed decisions regarding health care services, treatment, and coverage, there is a need to have access to provider specific health care cost, quality, and outcome data on health care facilities, health care providers, and health plans as well as continued access to global patterns and trends in the availability, use, and charges for health care services and the associated health circumstances.

1300.112. Data collection; powers and duties of the Department of Health and Hospitals

The Department of Health and Hospitals, in consultation with the Health Data Panel, shall:

- (1) Identify and define the health care cost, quality, and performance data elements to be reported to the Department of Health and Hospitals in accordance with existing national and international data standards for consumers' meaningful comparison of costs for specific health care services and specific quality of care measures between and among medical facilities, health care providers, and health plans.
- (2) Develop standards of accuracy, quality, timeliness, economy, and efficiency for the provision of data.
- (3) Identify the most practical methods to collect, transmit, and share required health care data as described in this Part.
- (4) Utilize, wherever practical, existing administrative data bases, and modalities of data collection to provide the required data.

(5) Ensure confidentiality of patients by enforcing appropriate rules and regulations at least as stringent as those regulations applicable to covered entities promulgated under the Health Insurance Portability and Accountability Act privacy regulations, 42 CFR Part 164.

(6) Coordinate with the Louisiana Department of Insurance on all matters of health plan cost, quality, and performance data to be collected from health plans licensed to offer health insurance coverage in Louisiana. Such data shall exclude premium data and information related to the development of premiums.

(7) Include appropriate risk-adjustment measures into the production of all health care cost, quality, and performance data issued to account for variation in facility size, location, and patient acuity levels.

(8) Provide the process for Internet publication of provider and health plan specific cost, quality, and performance data collected pursuant to this Part for access and use by a consumer or requesting entity.

(9) Ensure that data released pursuant to this Part shall not include any identifier which is listed in 45 CFR 164.514(b) as being necessary to be removed in order for the data to be de-identified within the meaning of 45 CFR 164.514(a).

(10) Promulgate rules and regulations, in accordance with the Administrative Procedure Act, to carry out the provisions of this Part.

(11) Implement the initial phase of the Internet website created pursuant to this Part on or before April 30, 2009.

(12) In the event that sufficient funds are not appropriated to implement this Part, to include the collection, storage, analysis, and dissemination of data to participating agencies, organizations, and the general public, the application and enforcement of this Part shall be suspended pending the appropriation of sufficient funds, and all accumulated health care data shall be stored with appropriate confidentiality safeguards, destroyed, or transferred to another appropriate agency or organization in accordance with state law.

1300.113. Health Data Panel; advisory council to the secretary of the Department of Health and Hospitals

A. The Department of Health and Hospitals shall create the Health Data Panel. The purpose of the Health Data Panel shall be to make recommendations to the secretary of the Department of Health and Hospitals for the implementation of the requirements of this Part. The Health Data Panel shall consider the provisions set forth in R.S. 40:1300.112.

B. Members of the Health Data Panel shall be appointed by the secretary and shall represent all interests involved in the collection and publication of provider and health plan specific cost, quality, and performance data elements. Members shall include but not be limited to health care purchasers, hospitals and other service providers, consumer and patient advocacy groups, quality improvement and health information technology groups, physicians, and any other individuals or groups as deemed necessary by the secretary.

C. The secretary or his designee shall serve as the chairman of the meetings of the Health Data Panel. The secretary may use the recommendations of the Health Data Panel to fulfill the Department of Health and Hospitals' responsibilities as set forth in this Part.

D. Members of the Health Data Panel shall serve without compensation.

1300.114. Violations; penalties

A. All state agencies and health professional licensing, certification, or registration boards and commissions, which collect, maintain, or distribute health data, shall provide to the

Department of Health and Hospitals such data as are necessary for the department to carry out its responsibilities as defined in this Part.

B. All health care providers licensed by the state, including but not limited to hospitals, outpatient surgical facilities, and outpatient clinical facilities shall submit information in the manner and form prescribed in rules and regulations promulgated by the Department of Health and Hospitals pursuant to this Part.

C. Any person, firm, corporation, organization, or institution that violates any of the provisions of this Part or any rules and regulations promulgated thereunder regarding patient confidentiality of information shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than five hundred dollars nor more than one thousand dollars or by imprisonment not exceeding one month, or both. Each day of the violation shall constitute a separate offense.

D. Any person, firm, corporation, organization, or institution knowingly violating any of the provisions of this Part or any rules and regulations promulgated thereunder shall be guilty of a misdemeanor and upon a plea of guilty, a plea of nolo contendere or conviction, shall be punished by a fine of not more than one thousand dollars.

E. Renewal of state licenses issued by the Department of Health and Hospitals, Department of Insurance, or health professional licensing, certification, or registration boards and commissions shall be predicated in part on compliance with data reporting requirements of this Part and rules and regulations promulgated thereunder. Prior to relicensing, the secretary of the Department of Health and Hospitals shall confirm compliance with data reporting requirements in writing to the appropriate permitting or licensing authority. The permit, certification, or license of any health care provider, health plan, or facility covered by this Part shall be suspended until such time as the required data is submitted to the Department of Health and Hospitals.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED:

TOTAL COST SUMMARY SCHEDULE

Estimated cost must be provided based on the solution, then divided into state fiscal years (SFYs). Below is a template which should be used to provide total cost per line item per SFY (July 1 through June 30 of each year of the contract). Documentation must be provided in a spreadsheet format to indicate how the responder determined this cost.

Estimated Project Cost for System Purchase (or Development) and Implementation Services

| Cost Category | SFY 2014 | SFY 2015 | SFY 2016 | SFY 2017 | Total |
|--|----------|----------|----------|----------|-------|
| Custom Off-The-Shelf (COTS) Product | | | | | |
| Product Customization(s) | | | | | |
| Development of Solution (for Non-COTS Product) | | | | | |
| Implementation | | | | | |
| Training (Facility) | | | | | |
| Training (DHH) | | | | | |
| Maintenance | | | | | |
| Hosting, if Applicable* | | | | | |
| Other Costs (please list)** | | | | | |
| Total by State Fiscal Year: | | | | | |

*The contractor should state if hosting is required for the solution.

**Examples of Other Costs may include travel and related expenses.

A breakdown of how each cost component was determined should be included. If any third-party software is to be utilized, also include the following information in the cost breakdown section:

- Identify requirements for licensing and use of any third-party software such as transaction monitors, web servers, compilers, or security systems.
- Identify any associated costs with such third-party software suggested or necessary to the implementation and use of the end product.

LIST OF REQUIRED HARDWARE

The RFI must contain a list of hardware required by the solution. Responders should utilize the table below to indicate the type of hardware needed as well as the quantity. Responders should also include brand and model recommendations.

| Type of Hardware | Quantity | Brand | Model |
|-------------------------|-----------------|--------------|--------------|
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HIPAA BUSINESS ASSOCIATE ADDENDUM

This HIPAA Business Associate Addendum is hereby made a part of this contract in its entirety as Attachment ____ to the contract.

1. The Louisiana Department of Health and Hospitals (“DHH”) is a Covered Entity, as that term is defined herein, because it functions as a health plan and as a health care provider that transmits health information in electronic form.
2. Contractor is a Business Associate of DHH, as that term is defined herein, because contractor either: (a) creates, receives, maintains, or transmits PHI for or on behalf of DHH; or (b) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services for DHH involving the disclosure of PHI.
3. Definitions: As used in this addendum –
 - A. The term “HIPAA Rules” refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (“HITECH”) Act of the American Recovery and Reinvestment Act of 2009.
 - B. The terms “Business Associate”, “Covered Entity”, “disclosure”, “electronic protected health information” (“electronic PHI”), “health care provider”, “health information”, “health plan”, “protected health information” (“PHI”), “subcontractor”, and “use” have the same meaning as set forth in 45 C.F.R. § 160.103.
 - C. The term “security incident” has the same meaning as set forth in 45 C.F.R. § 164.304.
 - D. The terms “breach” and “unsecured protected health information” (“unsecured PHI”) have the same meaning as set forth in 45 C.F.R. § 164.402.
4. Contractor and its agents, employees and subcontractors shall comply with all applicable requirements of the HIPAA Rules and shall maintain the confidentiality of all PHI obtained by them pursuant to this contract and addendum as required by the HIPAA Rules and by this contract and addendum.
5. Contractor shall use or disclose PHI solely: (a) for meeting its obligations under the contract; or (b) as required by law, rule or regulation (including the HIPAA Rules) or as otherwise required or permitted by this contract and addendum.
6. Contractor shall implement and utilize all appropriate safeguards to prevent any use or disclosure of PHI not required or permitted by this contract and addendum, including administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of DHH.
7. In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and (if applicable) § 164.308(b)(2), contractor shall ensure that any agents, employees, subcontractors or others that create, receive, maintain, or transmit PHI on behalf of contractor agree to the same restrictions, conditions and requirements that apply to contractor with respect to such information, and it shall ensure that they implement reasonable and appropriate safeguards to protect such information. Contractor shall take all reasonable steps to ensure that its agents’, employees’ or subcontractors’ actions or omissions do not cause contractor to violate this contract and addendum.
8. Contractor shall, within three (3) days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and addendum, report such disclosure in writing to the

person(s) named in section 14 (Terms of Payment), page 1 of the CF-1. Disclosures which must be reported by contractor include, but are not limited to, any security incident, any breach of unsecured PHI, and any "breach of the security system" as defined in the Louisiana Database Security Breach Notification Law, La. R.S. 51:3071 *et seq.* At the option of DHH, any harm or damage resulting from any use or disclosure which violates this contract and addendum shall be mitigated, to the extent practicable, either: (a) by contractor at its own expense; or (b) by DHH, in which case contractor shall reimburse DHH for all expenses that DHH is required to incur in undertaking such mitigation activities.

9. To the extent that contractor is to carry out one or more of DHH's obligations under 45 C.F.R. Part 164, Subpart E, contractor shall comply with the requirements of Subpart E that apply to DHH in the performance of such obligation(s).
10. Contractor shall make available such information in its possession which is required for DHH to provide an accounting of disclosures in accordance with 45 CFR § 164.528. In the event that a request for accounting is made directly to contractor, contractor shall forward such request to DHH within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR § 164.528 for at least six (6) years after the date of the last such disclosure.
11. Contractor shall make PHI available to DHH upon request in accordance with 45 CFR § 164.524.
12. Contractor shall make PHI available to DHH upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR § 164.526.
13. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by contractor on behalf of DHH available to the Secretary of the U. S. DHHS for purposes of determining DHH's compliance with the HIPAA Rules.
14. Contractor shall indemnify and hold DHH harmless from and against any and all liabilities, claims for damages, costs, expenses and attorneys' fees resulting from any violation of this addendum by contractor or by its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. The parties agree that the legal relationship between DHH and contractor is strictly an independent contractor relationship. Nothing in this contract and addendum shall be deemed to create a joint venture, agency, partnership, or employer-employee relationship between DHH and contractor.
16. Notwithstanding any other provision of the contract, DHH shall have the right to terminate the contract immediately if DHH determines that contractor has violated any provision of the HIPAA Rules or any material term of this addendum.
17. At the termination of the contract, or upon request of DHH, whichever occurs first, contractor shall return or destroy (at the option of DHH) all PHI received or created by contractor that contractor still maintains in any form and retain no copies of such information; or if such return or destruction is not feasible, contractor shall extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.