



HILO BENIOFF MEDICAL CENTER
HONOKA`A HOSPITAL
KA`U HOSPITAL
Y. OKUTSU STATE VETERANS HOME

190 WAIANUENUE AVENUE
HILO, HAWAII 96720
PHONE (808) 932-3000
FAX (808) 974-4746

Contract Management

Date: July 18, 2025
To: Potential Vendors
Subject: Request for Quotation (RFQ)

The East Hawaii Region, d.b.a. Hilo Benioff Medical Center (HBMC), a division of the Hawaii Health Systems Corporation, an Agency of the State of Hawaii, is soliciting quotations for:

26-0033 HBMC Interim Medical Staff Services Department Director

The East Hawaii Region desires to hire a vendor ("VENDOR") to furnish Department Directing support for Medical Staff Services within the Medical Staff Services Department.

If your company is interested in providing a quotation, please provide a written quotation and response no later than **2:00pm (HST) Wednesday, July 30, 2025**. If you have any formal questions, please submit them in writing directed to Frank Schneider, Senior Contracts Manager, hschneider@hhsc.org

The quotation must address and contain, at a minimum, the following:

- A. CONTRACTOR will provide onsite and remote services to support specific projects, at a schedule that is set by HBMC.
- B. CONTRACTOR will work 35-45 hours each week.
- C. CONTRACTOR will act as interim Medical Staff Services Department Director for the Eastern Region of HHSC including:
 - i. Assess, optimize, and oversee the credentialing, peer review processes to ensure compliance with all relevant regulatory requirements.
 - ii. Assess and develop a strategic plan for optimization of MD-Staff and MD-Stat systems, including staff training and stakeholder engagement.
 - iii. Assess key opportunities for the Medical Staff Services Department related to compliance, efficiency, data management, staff training, department structure.
 - iv. Shall support project initiatives, active and future within the Department.
- D. CONTRACTOR will conduct, participate in, and maintain credentialing, document management, policy review, quality interface of all Medical Staff, ensuring compliance with internal and external policies and legal/regulatory requirements.
- E. CONTRACTOR directs all actions related to Medical Staff applicant initial eligibility for membership and participation. Participates in and oversees highly confidential peer-to-peer review meetings and oversees its process.
- F. Provide a schedule of the staff member's availability from 08/06/2025-10/03/2025.

- G. CONTRACTOR administers and recommends software and technical solutions to optimize credentialing, payor enrollment and related workflows. Develops and updates applicable governing documents including bylaws and credentialing policies that support and direct organizational best practices and ensure compliance. Oversees all communications and reporting from the Medical Staff Services Department, including informational newsletters, educational documents, & memos. Recognizes, investigates, and validates discrepancies and adverse information obtained.
- H. Presented candidate must have a background in serving as a Department Director level supporting Medical Staff Services and must be skilled to work in an autonomous fashion.
- I. CONTRACTOR develops and cultivates working relationships with key stakeholders, both internal and external, to ensure appropriate awareness of key issues and decision-making. Collaborates with physician leaders to develop and maintain a Region-specific criteria-based clinical privileging system in accordance with regulatory requirements, accreditation standard, and organizational policies. Maintains provider information in CAQH and other payor portals, ensuring data accuracy and completeness. Manages Medical Staff Services department, including performance management, budgeting and day-to-day supervisor.
- J. Quotations should provide pricing appropriate to the services being provided. Presented cost of the candidate in a per hour capacity with minimum hours of services per week expected.
- K. Presented candidate must know the MD-Staff platform.
- L. CONTRACTOR responsible for other duties as assigned by HBMC.

1.0 Overview:

The Hilo Benioff Medical Center (HBMC) is located at 1190 Waianuenue Ave. The hospital is a Level III Trauma Center which includes the second busiest emergency room in the state of Hawaii and provides 24-hour care to more than 49,000 patients annually. Work will be coordinated with the Hospital to support the departmental medical staff service's needs.

Scope of Service:

HBMC is seeking a VENDOR to provide a skilled temporary staffing support that will work through all vital functions of medical services. Any candidate presented shall provide the following:

1.1 Department Director of Medical Staff Services Responsibilities:

- A. Work to be performed remotely and onsite. HBMC will determine the best fit schedule.
- B. Perform Department Director administrative and technical duties to support the credentialing functions of initial appointment, reappointment, the granting of clinical privileges, and maintenance of expirable data in accordance with hospital MS Bylaws/Rules and Regs and Credentialing Policies and Procedures.
- C. Work to ensure timely and accurate initial and reappointment applications are presented to the Department Chairs/Credentialing Committee/Medical Executive Committee and any other applicable committees for review.

- D. Populate, maintain and update MD-Staff credentialing software, as appropriate.
- E. Identify, investigate, report, track and follow-up on all potentially adverse information received from credentialing sources according to established guidelines and hospital credentialing policies and procedures.
- F. Communicate appointment, reappointment, and clinical privilege decisions and changes to external and internal parties as directed and in accordance with credentialing policies and procedures.
- G. Support meeting management functions.
- H. Any training that is necessary will be at the expense of the HBMC.
- I. Other Interim Department Director Medical Staff Services duties within the scope of the lead/supervisory job classification to establish and maintain the integrity of the credentialing and privileging operations.

2.0 Schedule:

The VENDOR shall provide a candidate that is capable of supporting the hours requested to work by the Medical Services and Credentialing Department. Candidate must be able to provide up to two (2) months of availability, specifically from 08/06/2025-10/03/2025. Agreement can be terminated with 2 week written notice.

3.0 Technical Representative:

HHSC shall provide a Technical Representative. The Tech Rep shall have the right but not the duty to oversee the successful completion of the Agreement requirements, including monitoring, coordinating and assessing the VENDOR'S performance; placing requests for services; and, approving completed work/services with verification of same for VENDOR'S invoices. The Tech Rep will serve as the Agreement Administrator for "technical" matters though the term of the Agreement.

The Technical Representative is: Mari Horike
 Hilo Benioff Medical Center
 808-932-3124
 mhorike@hhsc.org

4.0 The requested PRICING is as follows:

Provide pricing for the services of the candidate provided in an hourly format. VENDOR shall bill on a monthly basis and will be paid within 30 days of the provided invoice.

- 4.1** The VENDOR shall hold its pricing submitted term of temporary placement.

5.0 GENERAL REQUIREMENTS: Please submit your proposal no later than the due date and time stated earlier in this RFQ. Please submit all quotations in writing (digitally) to the following email address and attention:

HHSC / Hilo Benioff Medical Center
Attn: Frank Schneider, Senior Contracts Manager
hschneider@hhsc.org

5.1 Included for your review are the General Conditions, (**Attachment A**) and a BAA (**Attachment B**) which will be part of any subsequent contract that may be awarded.

5.2 East Hawaii Region will not provide any reimbursement for the cost of developing or presenting quotes in response to this RFQ.

6.0 Quotations received will be reviewed on a “Best Value” and first come basis with the contract award being offered to the VENDOR whose quote is deemed to be in the best interest of Hilo Benioff Medical Center. VENDOR selection will be based on the following criteria:

- A. VENDOR’S qualifications and experience
- B. Schedule
- C. Price / Fee

Please direct all inquiries pertaining to this request for quotation to my attention via e mail at hschneider@hhsc.org Thank you for your consideration for providing the referenced services to Hilo Medical Center.

Sincerely,

H. Frank Schneider
Senior Contracts Manager

OTHER TERMS AND CONDITIONS. The General Conditions (Short Form) are attached hereto and made a part of this Agreement. In the event of a conflict between the General Conditions (Short Form) and the vendor terms and conditions, the General Conditions (Short Form) shall control.

1. CONTRACTOR EXCLUSION FROM FEDERAL PROGRAMS.

CONTRACTOR warrants that it and none of its employees, agents, or subcontractors performing services or providing goods pursuant to this Agreement are excluded from participation in federal health care programs, as defined in the Social Security Act (Section 1128 and 1128A), and other federal laws and regulations relating to health care. CONTRACTOR has an affirmative duty to verify the accuracy of this statement at least monthly and to inform HHSC in the event it is discovered that it is no longer true. HHSC reserves the right to verify that the above sentences are true and to immediately cancel this Agreement in the event they are violated.

2. NONDISCRIMINATION. No person performing work under this Agreement, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any federal, state, or county law or regulation.

3. INDEMNIFICATION AND DEFENSE. The CONTRACTOR shall defend, indemnify and hold harmless HHSC, the contracting facility and their directors, employees and agents from and against all liability, loss, damage, cost and expense, including all attorneys fees and costs, and all claims, suits and demands therefor, arising out of or resulting from any acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents or subcontractors under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement for any reason.

4. UNILATERAL RIGHTS OF HHSC. HHSC may take the following actions in writing at any time during the pendency of this Agreement:

- (1) Terminate the Agreement in whole or in part for the convenience of HHSC. Any such termination shall be done in good faith and not arbitrarily or capriciously;
- (2) Order changes in the work within the scope of the Agreement;
- (3) Order changes in the time of performance of the Agreement that do not alter the scope of the work of the Agreement;
- (4) Suspend or stop the work provided for in the Agreement for a period not to exceed sixty (60) days. If any adjustments in price are occasioned by such actions on the part of HHSC, or by variations in quantity for definite or indefinite quantity Agreements, the price adjustments shall be made pursuant to the provisions of Section 103D-501(b), Hawaii Revised Statutes, or, for Agreements not governed by Chapter 103D HRS, then by mutual agreement of the parties.

5. TERMINATION FOR DEFAULT. If the CONTRACTOR refuses or fails to perform any of the provisions of this Agreement with such diligence as will ensure its completion within the time specified, or any extension thereof, or commits any other substantial breach of this Agreement, HHSC may terminate the CONTRACTOR'S right to proceed with the Agreement or such part of the Agreement as to which there has been delay or a failure to properly perform. CONTRACTOR shall not be in default if the cause of the delay or failure in performance arises out of causes such as: acts of God, acts of a public enemy, fires, floods, epidemics or labor disputes.

6. VOLUNTARY TERMINATION. Either party may, in its sole discretion, terminate this Agreement without cause upon giving the other party at least sixty (60) days prior written notice. As of the effective date of termination, neither party shall have any further rights or obligations under said Agreement except: (1) As otherwise provided in this Agreement; (2) for rights and obligations accruing prior to the effective date of termination; or (3) rights arising as a result of any breach of the this Agreement.

7. GOVERNING LAW. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a State court of competent jurisdiction in Hawaii.

8. COMPLIANCE WITH LAWS. The CONTRACTOR shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations as the same may be amended from time to time, that in any way affect the CONTRACTOR's performance of this Agreement. This specifically includes Sections 103-55 and 103-55.5, Hawaii Revised Statutes, dealing with wages, hours and working conditions of employees of contractors providing services or construction. Other laws which may be applicable to contractors may include, but not be limited to: HRS Chapters 383, 386, 387, 392, and 393. It shall be the responsibility of the CONTRACTOR to determine applicability and comply with the law.

9. WARRANTIES. CONTRACTOR warrants that it has all legal rights, title and interest in all products or goods sold, leased or licensed to HHSC. CONTRACTOR also warrants that such products substantially conform to all descriptions, specifications, representations, schedules and publications of CONTRACTOR and/or orders. Unless the warranty period provided by CONTRACTOR is longer, CONTRACTOR warrants that all products provided by CONTRACTOR shall be free from defects in materials, performance, workmanship and design for a period of one year. The warranty period shall commence after Acceptance, as defined in this Agreement. CONTRACTOR further warrants that it will perform any services required under this Agreement with promptness, diligence and in accordance with prevailing standards in the industry to the reasonable satisfaction of HHSC.

10. ACCESS TO BOOKS AND RECORDS. If the value or cost of services rendered to HHSC pursuant to this Agreement is Ten Thousand Dollars (\$10,000.00) or more over a twelve month period CONTRACTOR agrees as follows:

a. Until the expiration of four (4) years after the furnishing of such services, CONTRACTOR shall, upon written requests make available to the Secretary of the Department of Health and Human Services (the "Secretary"), the Secretary's duly authorized representative, the Comptroller General, or the Comptroller General's duly authorized representative, such books, documents and records as may be necessary to certify the nature and extent of the cost of such services; and

b. If any such services are performed by way of subcontract with another organization and the value or cost of such subcontracted services is Ten Thousand Dollars (\$10,000.00) or more over a twelve month period, such subcontracts shall contain and CONTRACTOR shall enforce a clause to the same effect as paragraph 10.a immediately above.

c. The availability of CONTRACTOR'S and subcontractor's books, documents and records shall be subject at all times to all applicable legal requirements, including, without limitation, such criteria and procedures for seeking and obtaining access that may be promulgated by the Secretary by regulation. The provisions of these paragraphs relating to access to books and records shall survive the expiration or other termination of this Agreement regardless of the cause of such termination.

11. CORPORATE COMPLIANCE PROGRAM. A description of the Corporate Compliance Program of HHSC, including orientation materials, is posted on the HHSC internet site (www.hhsc.org). The CONTRACTOR, by signing this contract, acknowledges that it has read said description, and that the CONTRACTOR knows of the fact and substance of the Corporate Compliance Program, which governs operations at all facilities of the HHSC. The CONTRACTOR understands and agrees that employees, agents, contractors, and subcontractors performing any services at any of the HHSC facilities shall be fully subject to such Corporate Compliance Program, as may be amended from time to time, as well as all federal program requirements and applicable policies and procedures of HHSC and its facilities. The Corporate Compliance Program requires periodic training, including an orientation program, of all people who provide financial, business office,

personnel, coding, medical records information systems and clinical services in the facility. The CONTRACTOR agrees to cause its employees, agents, contractors, and subcontractors who provide financial, business office, personnel, coding, medical records information systems, and/or clinical services at any of the HHSC facilities to review the posted orientation materials and participate in any compliance training programs HHSC may require.

12. BUSINESS ASSOCIATE ADDENDUM. By signing this Agreement, CONTRACTOR acknowledges that CONTRACTOR may be a Business Associate of HHSC within the meaning of the federal privacy and security laws as stated in 45 C.F.R. Parts 160 and 164, Subparts A, C, and E. CONTRACTOR further acknowledges that CONTRACTOR has read the Business Associate Addendum, which is posted on the HHSC internet site (<http://bit.ly/HHSC-BAA>). If CONTRACTOR is a Business Associate as defined in the above laws, said Business Associate Addendum is hereby incorporated by reference and made a part of this Agreement as if fully repeated herein. By signing this Agreement, CONTRACTOR agrees to fully comply with, and be bound by, all terms set forth in the Business Associate Addendum, as it may be amended from time to time.

13. INSURANCE. The CONTRACTOR shall obtain, maintain, and keep in force throughout the time of performance of services under this Agreement general and professional liability insurance issued by an insurance company authorized to do business in the State of Hawaii in an amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) per occurrence and THREE MILLION AND NO/100 DOLLARS (\$3,000,000.00) aggregate. HHSC shall be named as an additional insured under the CONTRACTOR'S policies for any liability arising out of or resulting from occurrences during or in connection with the performance of the CONTRACTOR'S services under this Agreement. At the request of HHSC, CONTRACTOR will provide HHSC a certificate of insurance showing compliance with these provisions. CONTRACTOR shall carry workers' compensation insurance in accordance with applicable law.

14. CAMPAIGN CONTRIBUTIONS. CONTRACTOR acknowledges that it is unlawful under Section 11-355, Hawaii Revised Statutes, unless specifically permitted under that law, for CONTRACTOR at any time between the execution of this Agreement through the completion of the Agreement to: (a) directly or indirectly make any contribution or to promise expressly or impliedly to make any contribution to any political party, committee or candidate or to any person for any political purpose or use; or (b) knowingly solicit any such contribution from any person for any purpose during any period.

15. ACCEPTANCE OF GOODS AND SERVICES. HHSC shall accept goods and services or give CONTRACTOR notice of rejection within a reasonable time, notwithstanding any payment, prior test, or inspection. No inspection, test, delay or failure to inspect or test, or failure to discover any defect or other nonconformance with the specifications, shall relieve CONTRACTOR of any obligations under this Agreement or impair any rights or remedies of HHSC.

16. DISCOUNT AND REBATE. CONTRACTOR hereby acknowledges its obligations to comply with any and all requirements imposed upon it as a seller under 42 U.S.C. Sec.1320a-7b(b)(3)(A) and 42 C.F.R. Sec. 1001.952(h) Discounts.

17. ACCESS TO HHSC NETWORK AND SYSTEMS. CONTRACTOR may be given access to some of the HHSC computer network and systems in order to fulfill the terms of the Agreement. CONTRACTOR agrees to follow and to require all agents, employees, and subcontractors to also follow the Information Technology and Confidentiality policies summarized and posted on the HHSC Procurement internet site (www.hhsc.org/GC) and to comply with such other instructions as provided by HHSC in the use of HHSC computer systems. CONTRACTOR shall not use the HHSC systems or data for any purpose other than to fulfill its duties under this Agreement.

18. COSTS AND EXPENSES. Any reimbursement due the CONTRACTOR for per diem cost and transportation expenses under this Agreement is subject to the following limitations:

- a. Reimbursement for air transportation shall be actual cost or coach class airfare, whichever is less.
- b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
- c. Unless prior written approval of the head of the purchasing agency is obtained, reimbursement for subsistence allowance (i.e., hotel and meals) shall be \$145 per day, which consists of \$85 for hotel and \$60 for food, computed on quarter days. No other travel or living expense (e.g., tips, entertainment, alcohol, etc.) shall be reimbursed by HHSC, other than those items listed in subparagraphs a and b, above. Invoices shall document the days of travel by including the name of the traveler, itinerary, airfare receipt, hotel receipt, and ground transportation receipts. All travel must be pre-approved by the HHSC technical representative.
- d. CONTRACTORS with an office located on the same island as the site of the services to be provided pursuant to this Agreement are not entitled to per diem or transportation expense reimbursement unless explicitly specified in the Agreement.

19. PROMPT PAYMENT OF SUBCONTRACTORS.

- a. GENERALLY. Any money paid to a CONTRACTOR shall be disbursed to subcontractors within ten days after receipt of the money in accordance with the terms of the subcontract; provided that the subcontractor has met all the terms and conditions of the subcontract and there are no bona fide disputes regarding payment.
- b. FINAL PAYMENT. Upon final payment to the CONTRACTOR, full payment to the subcontractor, including retainage, shall be made within ten days after receipt of the money; provided that there are no bona fide disputes over the subcontractor's performance under the subcontract. CONTRACTOR shall comply with Haw. Rev. Stat. Chapter 103, as applicable.

20. CONFIDENTIALITY OF MATERIAL.

- a. MATERIALS. All material given to or made available to the CONTRACTOR by virtue of this Agreement, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the HHSC. It is acknowledged and agreed that all of the trade secrets, business plans, marketing plans, know how, data, contracts, including this Agreement, documents, scientific and medical concepts, billing records, personnel records, medical records of any kind, and referral sources for existing or future services, products, operations, management, business, pricing, financial status, valuations, goals, strategies, objectives and agreements of HHSC and any of its facilities, affiliates or subsidiaries, and all patient information in any form, whether written, verbal or electronic are confidential ("Confidential Information"); provided, however, that Confidential Information, with the exception of patient information, shall not include information that is in the public domain.
- b. DATA. All information, data, or other material provided by the CONTRACTOR to the HHSC is subject to the Uniform Information Practices Act, chapter 92F, HRS, as modified by chapter 323F.HRS.

21. COUNTERPARTS. This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the parties by facsimile or electronically and such facsimile or electronic execution and transmission shall have the full force and effect of an original signature.

- a. All fully executed counterparts, whether original executions or facsimile/electronic executions or a combination thereof, shall be construed together and shall constitute one and the same Agreement.

[End of Document]

HHSC BUSINESS ASSOCIATE AGREEMENT

This BUSINESS ASSOCIATE AGREEMENT ("Agreement") is made by and between Hawaii Health Systems Corporation East Hawaii Region, a public body corporate and politic and an instrumentality and agency of the State of Hawaii ("HOSPITAL" or "HHSC"), and _ (hereinafter "BUSINESS ASSOCIATE"), a _____, under the laws of the State of _____, whose business address is as follows: _____ . **HHSC and BUSINESS ASSOCIATE are sometimes collectively hereinafter referred to as the "Parties", each a "Party".**

RECITALS

- A. HHSC is a Covered Entity under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), Title XIII of Division A, and Title IV of Division B of the American Recovery and Reinvestment Act of 2009, and its implementing regulations at 45 C.F.R. Parts 160, 162 and 164 (the "HIPAA Rules").
- B. BUSINESS ASSOCIATE agreed to provide the purchased product or service described in the underlying contract attached hereto as Exhibit A and made a part hereof ("Contract"), to perform its obligations under the Contract, or in furtherance of its business relationship with HHSC as described in the Contract, as applicable.
- C. The Parties have determined that BUSINESS ASSOCIATE is deemed a "business associate" of HHSC, as defined by the HIPAA Rules, and wish to memorialize their respective obligations under pertinent laws and regulations.

NOW, THEREFORE, in consideration of the recitals above and the mutual covenants and conditions contained herein, HOSPITAL and BUSINESS ASSOCIATE agree as follows:

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1. **BUSINESS ASSOCIATE'S OBLIGATIONS.**

BUSINESS ASSOCIATE agrees to:

- a. Not use or disclose PHI other than as permitted or required by the Agreement or as Required By Law. In no event may BUSINESS ASSOCIATE use or further disclose PHI in a manner that would violate HIPAA if done by HHSC.
- b. Not use PHI to create de-identified information for purposes unrelated to the Contract without HHSC's advance written approval. BUSINESS ASSOCIATE will use and request only the minimum PHI necessary to accomplish the permissible purpose of the use or request and shall comply with the minimum necessary standard under 45 C.F.R. § 164.502(b), as amended from time to time.
- c. Implement appropriate safeguards, and comply, where applicable, with the Security Rule to ensure the confidentiality, integrity, and availability of all PHI BUSINESS ASSOCIATE creates, receives, maintains, or transmits on behalf of HHSC; protect against any reasonably anticipated threats or hazards to the security or integrity of PHI; prevent use or disclosure of PHI other than as provided for by this Agreement or as Required by Law; and ensure compliance with the HIPAA Rules by BUSINESS ASSOCIATE's Workforce. These safeguards include, but are not limited to:
 - (i) Administrative Safeguards. BUSINESS ASSOCIATE shall implement policies and procedures to prevent, detect, contain, and correct security violations, and reasonably preserve and protect the confidentiality, integrity, and availability of PHI (which includes EPHI), as required by 45 C.F.R. § 164.308, and enforcing those policies and procedures, including sanctions for anyone not found in compliance;
 - (ii) Technical and Physical Safeguards. BUSINESS ASSOCIATE shall implement appropriate technical safeguards, as required by 45 C.F.R. §§ 164.310 and 164.312, to protect PHI, including access controls, authentication, and transmission security, as well as implement appropriate physical safeguards to protect PHI, including workstation security and device and media controls; and
 - (iii) Training. BUSINESS ASSOCIATE shall provide training to its relevant Workforce members, including its management employees, on how to prevent the improper access, use or disclosure of PHI; and update and repeat training on a regular basis. For purposes of this Agreement, "relevant Workforce members" means BUSINESS ASSOCIATE's employees, volunteers, trainees, and other persons whose conduct, in the performance of work for BUSINESS ASSOCIATE: (1) is under the direct control of the BUSINESS ASSOCIATE, whether they are paid by BUSINESS ASSOCIATE and (2) involves direct access to PHI.
- d. Within ten (10) days of signing this Agreement, BUSINESS ASSOCIATE shall provide HHSC with a list of individual employees and subcontractors who will require access to HHSC's electronic and computer systems to perform duties pursuant to the Contract. BUSINESS ASSOCIATE shall require all such persons to execute additional confidentiality documentation, as may be required by HHSC, prior to receiving such access. If any such person terminates employment or contract status with BUSINESS ASSOCIATE or its subcontractors, BUSINESS ASSOCIATE shall notify HHSC in writing no later than **five (5) business days** in advance of same, or in any event immediately upon termination, so that HHSC may terminate the individual's access to HHSC's systems.

- e. In accordance with 45 C.F.R. § 164.316, document the required policies and procedures and keep them current, and shall cooperate in good faith in response to any reasonable requests from HHSC to discuss, review, inspect, and/or audit BUSINESS ASSOCIATE's safeguards. BUSINESS ASSOCIATE shall retain the documentation required for six (6) years from the date of its creation or the date when it last was in effect, whichever is later.
- f. Acknowledge and agree that any and all PHI that BUSINESS ASSOCIATE creates, receives, maintains, or transmits shall not be accessed, generated, hosted, downloaded, printed, stored, processed, transferred, or maintained outside of the United States by BUSINESS ASSOCIATE or its subcontractor(s) without HHSC's prior written approval.
- g. Not directly or indirectly pay or receive remuneration in exchange for PHI or otherwise engage in the sale of PHI in a manner that would be impermissible for BUSINESS ASSOCIATE under HIPAA or would be impermissible if done by HHSC under HIPAA.
- h. Ensure that any subcontractor of BUSINESS ASSOCIATE that creates, receives, maintains, or transmits PHI on behalf of BUSINESS ASSOCIATE agrees in writing to the same restrictions, conditions and requirements that apply to BUSINESS ASSOCIATE through this Agreement with respect to such PHI.
- i. Notify HHSC following discovery of any use or disclosure of PHI not permitted by this Agreement of which it becomes aware, or any Breach of Unsecured PHI.
 - (i) BUSINESS ASSOCIATE shall immediately notify HHSC verbally or by telephone within 24 hours of its discovery or disclosure in violation of this Agreement.
 - (ii) BUSINESS ASSOCIATE shall subsequently notify HHSC in writing, without unreasonable delay, and in no case later than two (2) business days following discovery of the impermissible use or disclosure of PHI, or Breach of Unsecured PHI.
 - (iii) A Breach of Unsecured PHI shall be treated as discovered by the BUSINESS ASSOCIATE as of the first day on which such breach is known to the BUSINESS ASSOCIATE or, by exercising reasonable diligence, would have been known to the BUSINESS ASSOCIATE. BUSINESS ASSOCIATE shall be deemed to have knowledge of a Breach if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the BUSINESS ASSOCIATE.
- j. Take prompt (but in any event not more than two (2) business days) corrective action to mitigate, to the extent practicable, any harmful effect that is known to BUSINESS ASSOCIATE of a Security Incident or a misuse or unauthorized disclosure of PHI by BUSINESS ASSOCIATE in violation of this Agreement, and any other action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. BUSINESS ASSOCIATE shall reasonably cooperate with HHSC's efforts to seek appropriate injunctive relief or otherwise prevent or curtail potential or actual Breaches, or to recover its PHI, including complying with a reasonable corrective action plan.
- k. Investigate such Breach and provide to HHSC a written report of BUSINESS ASSOCIATE's investigation and resultant mitigation within fifteen (15) calendar days of the discovery of the Breach.

- l. Provide the following information with respect to a Breach of Unsecured PHI, to the extent possible, as the information becomes available, to HHSC's HIPAA Privacy and/or Security Officer:
 - (i) The identification of each Individual whose Unsecured PHI has been, or is reasonably believed by BUSINESS ASSOCIATE to have been accessed, acquired, used, or disclosed during the Breach; and
 - (ii) Any other available information that HHSC is required to include in notification to the Individual under the HIPAA Rules, including, but not limited to the following:
 - A. Contact information for Individuals who were or who may have been impacted by the Breach (e.g., first and last name, mailing address, street address, phone number, and email address);
 - B. A brief description of the circumstances of the Breach, including the date of the Breach and date of discovery, if known;
 - C. A description of the types of Unsecured PHI involved in the Breach (such as whether the full name, social security number, date of birth, address, account number, diagnosis, diagnostic, disability or billing codes, or similar information was involved);
 - D. A brief description of what the BUSINESS ASSOCIATE has done or is doing to investigate the Breach, mitigate harm to the Individual(s) impacted by the Breach, and protect against future Breaches; and
 - E. Contact information for BUSINESS ASSOCIATE's liaison responsible for investigating the Breach and communicating information relating to the Breach to HHSC.
- m. Promptly report (but in any event not more than two (2) business days) to HHSC any Security Incident of which BUSINESS ASSOCIATE becomes aware with respect to EPHI that is in the custody of BUSINESS ASSOCIATE, including breaches of Unsecured PHI as required by 45 C.F.R. § 164.410, by contacting HHSC's HIPAA Privacy and/or Security Officer.
- n. Implement reasonable and appropriate measures to ensure compliance with the requirements of this Agreement by Workforce members who assist in the performance of functions or activities on behalf of HHSC under this Agreement and use or disclose PHI, and discipline such Workforce members who intentionally violate any provisions of these special conditions, which may include termination of employment.
- o. Make its internal policies, procedures, books and records relating to the use and disclosure of PHI received from, or created or received by BUSINESS ASSOCIATE on behalf of, HHSC available to the Secretary or to HHSC if necessary or required to assess BUSINESS ASSOCIATE's or HHSC's compliance with the HIPAA Rules. BUSINESS ASSOCIATE shall promptly notify HHSC of communications with the U.S. Department of Health and Human Services ("HHS") regarding PHI provided by or created by HHSC and shall provide HHSC with copies of any information BUSINESS ASSOCIATE has made available to HHS under this Section.
- p. Upon notice from HHSC, accommodate any restriction to the use or disclosure of PHI and any request for confidential communications to which HHSC has agreed in accordance with the Privacy Rule.
- q. Make available PHI held by BUSINESS ASSOCIATE, which HHSC has determined to be part of its Designated Record Set, within five (5) days to HHSC as necessary to satisfy HHSC's obligations to provide an Individual with access to PHI under 45 C.F.R. § 164.524, as amended

from time to time, in the manner designated by HHSC. In the event any individual requests access to PHI directly from BUSINESS ASSOCIATE, BUSINESS ASSOCIATE shall within two (2) days forward such request to HHSC. Any decision to deny access to PHI requested by an individual shall be made only by HHSC.

- r. Make available PHI held by BUSINESS ASSOCIATE, which HHSC has determined to be part of its Designated Record Set, for amendment and incorporate any such amendments to PHI that HHSC directs or agrees to in accordance with 45 C.F.R. § 164.526, as amended from time to time, within five (5) days receipt of a request from HHSC or an Individual.
- s. Document disclosures of PHI made by BUSINESS ASSOCIATE, which are required to be accounted for under 45 C.F.R. § 164.528(a)(1), and within ten (10) days of notice by HHSC to BUSINESS ASSOCIATE that HHSC has received a request for an accounting of disclosures of PHI regarding an Individual made during a period of time less than six (6) years prior to the date on which the accounting was requested, BUSINESS ASSOCIATE shall make available to HHSC such information as is in BUSINESS ASSOCIATE's possession and is required for HHSC to make the accounting required by 45 C.F.R. § 164.528, as amended from time to time. At a minimum, BUSINESS ASSOCIATE shall provide HHSC with the following information: (1) the date of the disclosure; (2) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (3) a brief description of the PHI disclosed; and (4) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to BUSINESS ASSOCIATE, BUSINESS ASSOCIATE shall within two (2) days of receipt forward such request to HHSC. It shall be the responsibility of HHSC to prepare and deliver any such accounting requested. BUSINESS ASSOCIATE hereby agrees to implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section.

2. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE.

BUSINESS ASSOCIATE may, except as otherwise limited in this Agreement:

- a. General Use and Disclosure: Create, receive, maintain or transmit PHI to provide the purchased product or service described in the Contract, to perform its obligations under the Contract, or in furtherance of its business relationship with HHSC as described in the Contract, as applicable and this Agreement, provided that the use or disclosure would not violate the HIPAA Rules if done by HHSC.
- b. Limited Use of PHI for BUSINESS ASSOCIATE's Benefit. Use PHI received by the BUSINESS ASSOCIATE in its capacity as HHSC's BUSINESS ASSOCIATE, if necessary, for the proper management and administration of BUSINESS ASSOCIATE or to carry out the legal responsibilities of BUSINESS ASSOCIATE. BUSINESS ASSOCIATE's proper management and administration does not include the use or disclosure of PHI by BUSINESS ASSOCIATE for marketing purposes or for sale of PHI.
- c. Limited Disclosure of PHI for BUSINESS ASSOCIATE's Benefit. Disclose PHI for BUSINESS ASSOCIATE's proper management and administration or to carry out its legal responsibilities only if the disclosure is Required By Law, or BUSINESS ASSOCIATE obtains reasonable written assurances from the person or entity to whom PHI is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person or entity, and the person notifies BUSINESS ASSOCIATE of any instances of which it is aware in which the confidentiality of PHI has been breached.

- d. Minimum Necessary. BUSINESS ASSOCIATE shall only request, use, and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use, or disclosure.
- e. Data Aggregation. Use PHI to provide Data Aggregation services relating to HHSC's Health Care Operations as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B), as may be amended from time to time.
- f. Disclosures by Whistleblowers: Use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. § 164.502(j)(1), as may be amended from time to time.

3. HHSC'S OBLIGATIONS.

- a. HHSC shall not request BUSINESS ASSOCIATE to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by HHSC.
- b. HHSC shall not provide BUSINESS ASSOCIATE with more PHI than is minimally necessary for BUSINESS ASSOCIATE to perform its obligations as described in the Contract only in accordance with the HIPAA Rules.

4. TERM AND TERMINATION.

- a. This Agreement shall be effective as of the date of the Contract, and shall continue in effect until terminated as provided in Section 4.b or until all of the PHI provided by HHSC to BUSINESS ASSOCIATE, or created or received by BUSINESS ASSOCIATE on behalf of HHSC, is destroyed or returned to HHSC.
- b. Termination for Cause. In the event HHSC determines that BUSINESS ASSOCIATE has committed a material breach of this Agreement, HHSC may, in its discretion, either: (i) provide an opportunity for BUSINESS ASSOCIATE to cure the breach or end the violation, provided that HHSC may immediately terminate the Contract that requires the use of PHI if BUSINESS ASSOCIATE does not cure the breach or end the violation within the time frame specified by HHSC; or (ii) immediately terminate the Contract that requires the use of PHI if BUSINESS ASSOCIATE has breached a material term of this Agreement and HHSC determines in its sole discretion that a cure is not possible.
- c. Effect of Termination.
 - (i) Upon termination of this Agreement, until notified otherwise by HHSC, BUSINESS ASSOCIATE shall extend all protections, limitations, requirements and other provisions of this Agreement to all PHI received from or on behalf of HHSC or created or received by BUSINESS ASSOCIATE on behalf of HHSC.
 - (ii) Except as otherwise provided in subsection 4(c)(iii) below, upon termination of this Agreement for any reason, BUSINESS ASSOCIATE shall, at HHSC's option, return or destroy all PHI received from HHSC, or created or received by the BUSINESS ASSOCIATE on behalf of, HHSC that the BUSINESS ASSOCIATE still maintains in any form, and BUSINESS ASSOCIATE shall retain no copies of the information. This provision shall also apply to PHI that is in the possession of subcontractors or agents of BUSINESS ASSOCIATE. BUSINESS

ASSOCIATE shall notify HHSC in writing of any and all conditions that make return or destruction of such information not feasible and shall provide HHSC with any requested information related to HHSC's determination as to whether the return or destruction of such information is feasible.

(iii) If HHSC determines that returning or destroying any or all PHI is not feasible or opts not to require the return or destruction of such information, the protections of this Agreement shall continue to apply to such PHI, and BUSINESS ASSOCIATE shall limit further uses and disclosures of PHI to those purposes that make the return or destruction infeasible, for so long as BUSINESS ASSOCIATE maintains such PHI. HHSC hereby acknowledges and agrees that infeasibility includes BUSINESS ASSOCIATE's need to retain PHI for purposes of complying with its work product documentation standards.

5. MISCELLANEOUS.

- a. Amendment. BUSINESS ASSOCIATE and HHSC agree to take such action as is necessary to amend this Agreement from time to time for compliance with the requirements of the HIPAA Rules and any other applicable law.
- b. Interpretation. In the event that any terms of this Agreement are inconsistent with the terms of the Contract, then the terms of this Agreement shall control. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Rules, as amended, the HIPAA Rules shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Agreement shall control. Any ambiguity in this Agreement shall be resolved to permit HHSC to comply with the HIPAA Rules. Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to supersede any federal or state law or regulation related to confidentiality of health information that is more stringent than the HIPAA Rules.
- c. Indemnification. BUSINESS ASSOCIATE shall defend, indemnify, and hold harmless HHSC and HHSC's directors, officers, employees, agents, contractors and subcontractors to the extent required under the Contract for incidents that are caused by or arise out of a Breach or failure to comply with any provision of this Agreement or the HIPAA Rules by BUSINESS ASSOCIATE or any of BUSINESS ASSOCIATE's officers, employees, agents, contractors or subcontractors.
- d. Costs Related to Breach. BUSINESS ASSOCIATE shall be responsible for any and all costs incurred by HHSC as a result of any Breach of PHI by BUSINESS ASSOCIATE, its officers, directors, employees, contractors or agents, or by a third party to which the BUSINESS ASSOCIATE disclosed PHI under this Agreement, including but not limited to notification of individuals or their representatives of a Breach of Unsecured PHI, and the cost of mitigating any harmful effect of the Breach.
- e. Response to Subpoenas. In the event BUSINESS ASSOCIATE receives a subpoena or similar notice or request from any judicial, administrative or other party which would require the production of PHI received from, or created for, HHSC, BUSINESS ASSOCIATE shall promptly, in any event not more than two (2) days, forward a copy of such subpoena, notice or request to HHSC to afford HHSC the opportunity to timely respond to the demand for its PHI as HHSC determines appropriate according to its federal and state obligations.

- f. Survival. The respective rights and obligations of HHSC and BUSINESS ASSOCIATE under Sections 4.c., Term and Termination, 5.c., Indemnification, and 5.d., Costs Related to Breach, shall survive the termination of this Agreement.
- g. Notices: Whenever written notice is required by one Party to the other under this Agreement, it should be mailed, faxed or e-mailed, or any of the foregoing, to the appropriate address noted below. If notice is sent by e-mail, then a confirming written notice should be sent by mail or fax, or both, within two (2) business days after the date of the e-mail. The sender of any written notice required under this Agreement is responsible for confirming receipt by the recipient.

HHSC

HIPAA Privacy Officer

1190 Waianuenue Ave

Hilo, Hawaii 96720

Phone: (808) 932-3000

Fax: (808) 933-2793

Email: snelson1@hhsc.org

BUSINESS ASSOCIATE**6. DEFINITIONS FOR USE IN THIS AGREEMENT.**

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule, Breach Notification Rule, or the Security Rule.

"Breach Notification Rule" shall mean the Breach Notification of Unsecured Protected Health Information Rule, 45 C.F.R. Part 164, Subparts A and D, as amended from time to time.

"Designated Record Set" shall mean a group of records maintained by or for HHSC that is (1) the medical records and billing records about individuals maintained by or for HHSC, (2) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (3) used, in whole or in part, by or for HHSC to make decisions about individuals. As used herein, the term "Record" means any item, collection, or grouping of information that includes PHI and is maintained, collected, used, or disseminated by or for HHSC.

"Electronic Media" shall mean the mode of electronic transmissions. It includes the Internet, extranet (using Internet technology to link a business with information only accessible to collaborating parties), leased lines, dial-up lines, private networks, and those transmissions that are physically moved from one location to another using magnetic tape, disk, or compact disk media.

"Individually Identifiable Health Information" shall mean information that is a subset of health information, including demographic information collected from an individual, and:

- (1) is created or received by a healthcare provider, health plan, employer, or healthcare clearinghouse; and
- (2) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; and
 - (a) that identifies the individual, or
 - (b) with respect to which there is a reasonable basis to believe the information can be

used to identify the individual.

"Privacy Rule" shall mean the Standard for Privacy of Individually Identifiable Health Information, 45 C.F.R. Parts 160 and 164, Subparts A and E, as amended from time to time.

"Protected Health Information" (or "PHI") shall mean Individually Identifiable Health Information that is (1) transmitted by electronic media; (2) maintained in any medium constituting electronic media; or (3) transmitted or maintained in any other form or medium. "PHI" shall not include: education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. § 1232g; records described in 20 U.S.C. § 1232g (a)(4)(B)(iv); employer records; or information about an individual who has been deceased for more than 50 years.

"Secretary" shall mean the Secretary of the United States Department of Health and Human Services.

"Security Incident" shall mean any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

"Security Rule" shall mean the Security Standard for electronic Protected Health Information, 45 C.F.R. Parts 160 and 164, Subparts A and C, as amended from time to time.

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HHSC BUSINESS ASSOCIATE AGREEMENT

HOSPITAL/HHSC

Signature: _____

Name: _____

Title: _____

Date: _____

I hereby represent and warrant that I have the legal right and authority to execute this Agreement on behalf of the BUSINESS ASSOCIATE above named.

Business Associate

Signature: _____

Name: _____

Title: _____

Date: _____

END OF RFQ 26-0033