

EXHIBIT A

HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement ("Agreement") by and between _____. ("Covered Entity") and **Advanced Medical Billing Systems, Inc.** ("Business Associate") is effective as of , 2009 (the "Agreement Effective Date").

RECITALS

A. Covered Entity wishes to disclose certain information, some of which may be Protected Health Information or "PHI" as defined below, to Business Associate pursuant to the terms of an arrangement whereby Business Associate provides services to or performs functions on behalf of Covered Entity.

B. Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI disclosed to Business Associate in Business Associate's capacity as a business associate of Covered Entity pursuant to the Agreement in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA") and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.

C. Covered Entity and Business Associate intend for this Agreement to cover only PHI disclosed to Business Associate in its capacity as a business associate of Covered Entity and not cover any other PHI disclosed to Business Associate.

D. As part of the HIPAA Regulations, the Privacy Rule (defined below) requires Covered Entity to enter into a contract with Business Associate containing specific requirements prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.502(e) and 164.504(e) of the Code of Federal Regulations ("CFR") and contained in this Agreement.

E. In consideration of the mutual promises below and the exchange of information pursuant to this Agreement, the parties agree as follows:

1. Definitions.

(a) **Business Associate** will have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR §160.103.

(b) **Covered Entity** will have the meaning given to such term under the Privacy Rule, including, but not limited to 45 CFR § 160.103.

(c) **Data Aggregation** will have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 164.501.

(d) **Designated Record Set** will have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR §164.501.

(e) **Health Care Operations** will have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 164.501.

(f) **Individual** will have the same meaning as the term "Individual" in 45 CFR § 164.501 and will include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

(g) **Privacy Rule** will mean the HIPAA Regulation that is codified at 45 CFR Parts 160 and 164.

(h) **Protected Health Information** or "**PHI**" means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an Individual, the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual, and (ii) that identifies the Individual or with respect to which there is a reasonable basis to believe the information can be used to identify the Individual, and will have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR 164.501.

2. Obligations of Business Associate.

(a) **Permitted Uses.** Business Associate will use and/or disclose PHI only as permitted or required by this Agreement, in the course of providing accounts receivable reconciliation and other services to Covered Entity or as otherwise required by law. Business Associate will not use PHI in any manner that would constitute a violation of the Privacy Rule if so used by Covered Entity, except that Business Associate may use PHI (i) for the proper management and administration of Business Associate, (ii) to carry out the legal responsibilities of Business Associate, (iii) to report violations of law to appropriate federal and state authorities consistent with 45 CFR § 164.502(j)(1), consistent with Business Associate's professional obligations to Covered Entity or (iv) for Data Aggregation purposes for the Health Care Operations of Covered Entity.

(b) **Permitted Disclosures.** Business Associate will not disclose PHI in any manner that would constitute a violation of the Privacy Rule if disclosed by Covered Entity, except that Business Associate may disclose PHI (i) in a manner permitted pursuant to this Agreement, (ii) for the proper management and administration of Business Associate; (iii) as required by law, or (iv) for Data Aggregation purposes for the Health Care Operations of Covered Entity. To the extent that Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from such third party that such PHI will be held in a confidential and secure manner as provided pursuant to this Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) an agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

(c) **Appropriate Safeguards.** Business Associate will implement appropriate safeguards as are necessary to prevent the use or disclosure of PHI otherwise than as permitted by this Agreement and to protect the confidentiality, integrity and availability of electronic PHI created, received, maintained, or transmitted on behalf of Covered Entity.

(d) **Reporting of Improper Use or Disclosure.** Business Associate will report to Covered Entity in writing any use or disclosure of PHI otherwise than as provided for by this Agreement, or any security incident, within five (5) business days of becoming aware of such use, disclosure or incident. Business Associate will establish procedures for mitigating the harmful effects of improper use or disclosure of PHI, or of a security incident, and implement reasonable mitigation steps as requested by Covered Entity if an improper use, disclosure, or incident occurs.

(e) **Business Associate's Agents/Subcontractors.** Business Associate may disclose PHI to and permit the use of PHI by its employees, contractors, agents, or other representatives only if and to the extent directly related to, and necessary for, the performance of services for or on behalf of Covered Entity. Business Associate will ensure that any agents, including subcontractors, to whom it provides PHI agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such PHI. Business Associates will implement and maintain appropriate sanctions against agents and subcontractors that violate such restrictions and conditions and will mitigate the effects of any such violation.

(f) **Access to PHI.** Business Associate will make PHI maintained by Business Associate or its agents or subcontractors in Designated Records Sets available to Covered Entity, or as directed by Covered Entity to an Individual, for inspection and copying within ten (10) business days of a request by Covered Entity to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524.

(g) **Amendment of PHI.** Within ten (10) business days of receipt of a request from Covered Entity for an amendment of PHI or a record about an Individual contained in a Designated Record Set, Business Associate or its agents or subcontractors will make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526. If any Individual requests an amendment of PHI directly from Business Associate or its agents or subcontractors, Business Associate must notify Covered Entity in writing within five (5) business days of the request. Any denial of amendment of PHI maintained by Business Associate or its agents or subcontractors will be the responsibility of Covered Entity.

(h) **Accounting Rights.** Within ten (10) business days of notice by Covered Entity of a request for an accounting of disclosures of PHI, Business Associate and its agents or subcontractors will make available to Covered Entity or, as directed by Covered Entity to an Individual, the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.528. As set forth in, and as limited by, 45 CFR § 164.528, Business Associate will not provide an accounting to Covered Entity of disclosures: (i) to carry out treatment, payment or

health care operations, as set forth in 45 CFR § 164.506; (ii) to Individuals of PHI about them as set forth in 45 CFR 164.502; (iii) to persons involved in the Individual's care or other notification purposes as set forth in 45 CFR § 164.510; (iv) for national security or intelligence purposes as set forth in 45 CFR § 164.512(k)(2); (v) when an Individual has authorized the release of PHI as set forth in 45 CFR § 164.508; (vi) when the information is a limited data set as set forth in 45 CFR § 164.514(e)(2); (vii) that are merely incidental to another permissible use or disclosure as set forth in 45 CFR § 164.502(a)(1)(iii); or (viii) to correctional institutions or law enforcement officials as set forth in 45 CFR § 164.512(k)(5). Business Associate will implement a process that allows for an accounting to be collected and maintained by Business Associate and its agents or subcontractors for at least six (6) years prior to the request, but not before the compliance date of the Privacy Rule. At a minimum, such information will include: (i) the date of disclosure; (ii) the name of the entity or person who received PHI and, if known, the address of the entity or person; (iii) a brief description of PHI disclosed; and (iv) a brief statement of the purpose of the disclosure that reasonably informs the Individual of the basis for the disclosure, or a copy of the Individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to Business Associate or its agents or subcontractors, Business Associate will within five (5) business days of a request forward it to Covered Entity in writing. It will be Covered Entity's responsibility to prepare and deliver any such accounting requested. Business Associate will not disclose any PHI except as set forth in Section 2(b) of this Agreement.

(i) **Governmental Access to Records.** Business Associate will make its internal practices, books and records relating to the use and disclosure of PHI, and relating to the security of electronic PHI, available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining Business Associate's compliance with the Privacy Rule. These disclosure obligations will not include information consisting of privileged attorney-client communications or attorney work product, unless Covered Entity directs Business Associate to make the disclosure and grants all necessary waivers. Business Associate will provide to Covered Entity a copy of any PHI, policies and procedures or other documentation that Business Associate provides to the Secretary concurrently with providing such PHI to the Secretary.

(j) **Minimum Necessary.** Business Associate (and its agents or subcontractors) will only request, use and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure.

(k) **Data Ownership.** Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.

(l) **Retention of PHI.** Notwithstanding Section 6(d) of this Agreement, Business Associate and its subcontractors or agents will retain all PHI throughout the term of the Agreement and will continue to maintain the information required under Section 2(h) of this Agreement for a period of six (6) years after termination of the Agreement.

(m) **Notification of Breach.** During the term of this Agreement, Business Associate will notify Covered Entity within five (5) business days of any suspected or actual breach of

security, intrusion or unauthorized use or disclosure of PHI and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations.

(n) **Audits, Inspection and Enforcement.** Within ten (10) business days of a written request by Covered Entity, Business Associate and its agents or subcontractors will allow Covered Entity to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of PHI pursuant to this Agreement for the purpose of determining whether Business Associate has complied with this Agreement; provided, however, that (i) Associate and Covered Entity will mutually agree in advance upon the scope, timing and location of such an inspection, (ii) Covered Entity will protect the confidentiality of all confidential and proprietary information of Business Associate to which Covered Entity has access during the course of such inspection; and (iii) Covered Entity will execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by Business Associate. The fact that Covered Entity inspects, or fails to inspect, Business Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this Agreement, nor does Covered Entity's (i) failure to detect or (ii) detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Agreement.

3. Termination.

(a) **Material Breach.** A breach by Business Associate of any material provision of this Agreement, as determined by Covered Entity, will constitute a material breach and will provide grounds for immediate termination of the Agreement by Covered Entity.

(b) **Reasonable Steps to Cure Breach.** If Covered Entity knows of a pattern of activity or practice of Business Associate that constitutes a material breach or violation of Business Associate's obligations under the provisions of this Agreement or another arrangement and does not terminate the Agreement, then Covered Entity will take reasonable steps to cure such breach or end such violation, as applicable. If Covered Entity's efforts to cure such breach or end such violation are unsuccessful, Covered Entity will either (i) terminate this Agreement, and the underlying arrangement for services, if feasible or (ii) if termination of the Agreement and the underlying arrangement for services is not feasible, Covered Entity will report Business Associate's breach or violation to the Secretary of the Department of Health and Human Services.

(c) **Judicial or Administrative Proceedings.** Any party may terminate this Agreement, effective immediately, if (i) the other party is named as a defendant in a criminal proceeding for a violation of HIPAA, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the other party has violated any standard or requirement of HIPAA, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been named.

(d) **Effect of Termination.** Upon termination of this Agreement for any reason, Business Associate will return or destroy all PHI that Business Associate or its agents or subcontractors still maintain in any form, and will retain no copies of such PHI. If return or destruction is not feasible, Business Associate will continue to extend the protections of Sections 2(a), 2(b), 2(c) and 2(e) of this Agreement to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible for so long as Business Associate maintains such PHI. If Business Associate elects to destroy the PHI, Business Associate will certify in writing to Covered Entity that such PHI has been destroyed.

4. **Limitation on Liability.** Neither party will be liable to the other party or any other person for any consequential, incidental, punitive or other damages arising from or relating to the PHI (including but not limited to errors or omissions in the PHI) or for such party's performance or failure to perform under this Agreement.

5. **Indemnification.** Each party agrees to indemnify, defend and hold harmless the other party and its respective employees, directors, officers, subcontractors, and agents from and against all claims, actions, damages, losses, liabilities, fines, penalties, costs or expenses (including without limitation reasonable attorney's fees) suffered by the other party arising from or in connection with any negligent or wrongful acts or omissions in connection with this Agreement, by such party or its employees, directors, subcontractors, or agents. This indemnification obligation will survive the expiration or termination of this Agreement.

6. **Injunction.** Covered Entity and Business Associate agree that any violations of the provisions of this Agreement may cause irreparable harm to Covered Entity. Accordingly, in addition to any other remedies available to Covered Entity at law or in equity, or under this Agreement, in the event of any violation by Business Associate of any of the provisions of this Agreement, or any explicit threat thereof, Covered Entity will be entitled to an injunction or other decree of specific performance with respect to such violation or explicit threat thereof, without any bond or other security being required and without the necessity of demonstrating actual damages. The parties' respective rights and obligations under this section will survive the expiration or termination of this Agreement.

7. **Disclaimer.** Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement, HIPAA or the HIPAA Regulations will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.

8. **Amendment.**

(a) **Amendment to Comply with Law.** The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the Privacy Rule and other applicable laws relating to the security or confidentiality of PHI. The parties understand and agree that Covered Entity must receive satisfactory written assurance from Business Associate that Business Associate will adequately safeguard all PHI. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Agreement embodying written assurances consistent with the standards

and requirements of HIPAA, the Privacy Rule or other applicable laws. Covered Entity may terminate this Agreement upon thirty (30) days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend this Agreement when requested by Covered Entity pursuant to this Section or (ii) Business Associate does not enter into an amendment to this Agreement providing assurances regarding the safeguarding of PHI that Covered Entity, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the Privacy Rule.

(b) **Written Amendment Required.** This Agreement may not be modified or amended except by a writing duly signed by an authorized representative of each party.

9. Assistance in Litigation or Administrative Proceedings. Business Associate will make itself, and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement reasonably available to Covered Entity to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers or employees based upon a claimed violation of HIPAA, the Privacy Rule or other laws relating to security and privacy, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

10. No Third-Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor will anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liability whatsoever.

11. No Waiver. No waiver of a breach of any provision of this Agreement will be construed to be a waiver of any breach of any other provision of this Agreement or of any succeeding breach of the same provision. No delay in action with regard to any breach of any provision of this Agreement will be construed to be a waiver of such breach.

12. Notice. Any notices required to be given pursuant to the terms and conditions hereof will be in writing and will be sent by certified or registered mail, return receipt requested, to the respective parties at their addresses stated below. Notices will be deemed to be effective on the date when they are mailed.

To Covered Entity: _____

To Business Associate: 445 South Pascack Road
Chestnut Ridge, New York 10977
Attention: Silvia Ronda

13. Severability. If any section or portion of this Agreement will be determined to be invalid, such determination will not affect the enforceability or validity of the remainder of this Agreement.

14. Interpretation. This Agreement will be interpreted as broadly as necessary to implement and comply with HIPAA and the Privacy Rule. Any ambiguity in this Agreement will be resolved to permit Covered Entity to comply with HIPAA and the Privacy Rule.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Agreement Effective Date.

COVERED ENTITY

BUSINESS ASSOCIATE

By: _____
Name: _____
Title: _____

By: _____
Name: Silvia Ronda
Title: President