

## **BEHAVIORAL HEALTH CONNECTICUT, LLC ELECTRONIC TRANSACTIONS TRADING PARTNER AGREEMENT**

This Electronic Transactions Trading Partner Agreement (“Agreement”), by and between Behavioral Health Connecticut, LLC, on behalf of itself and its Affiliates (collectively, “BHC”), and the entity submitting to or receiving electronic transactions from BHC hereunder (“Trading Partner”), sets forth the terms and conditions under which Trading Partner is permitted to engage in electronic transactions with BHC that meet the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) pursuant to 45 CFR §160 as contemplated by §160.103 and §62 (Subparts I -- R).

### **1. DEFINITIONS**

- 1.1 "Health Benefit Plan" means the document(s) describing the partially or wholly: 1) insured, 2) underwritten, and/or 3) administered, health care benefits or services program between the Plan and an employer, governmental entity or other entity or individual; or, in the case of a self-funded arrangement, the plan document, which describes the covered services for a Member.
- 1.2 "Member" means an individual who is enrolled in and is eligible to receive health care benefits under a Plan.
- 1.3 "Plan" means any health benefits plan or program established or administered by an insurance company, health maintenance organization, third party administrator, employer, trust fund or other health benefit plan sponsor which has entered into an agreement with BHC to arrange for the provision of health care services to its Members.
- 1.4 "System" means the electronic transactions system(s) utilized by BHC.

### **2. RESPONSIBILITIES OF THE PARTIES**

- 2.1 BHC and Trading Partner agree that electronic submission of claims and other transactions on behalf of Plans in lieu of paper claims and other transactions will reduce paper, manual processes, and time consumption, and thus is to both parties' benefit, and represents sufficient consideration for this Agreement.
- 2.2 Trading Partner agrees to submit and receive on behalf of itself or as an agent on behalf of physicians or other providers who have given Trading Partner authorization to do so ("Client Providers") (collectively "Trading Partners"), transactions to or from BHC only in the specific format and code sets as set forth by BHC. Trading Partner certifies that all data transmitted hereunder is accurate and truthful to the best of Trading Partner's knowledge. To the extent permitted by law, electronic transmissions shall not be deemed to have been accepted by BHC until Trading Partner receives the acknowledgement for the applicable electronic transaction. If any electronic transmissions are received in an unintelligible or garbled form, BHC shall promptly notify the originating party (if identifiable from the received data) in a reasonable manner. If the originating party cannot be identified, no notice will be required. Trading Partner and its Client Providers, as applicable, bear the risk of any system failures that result in failed or garbled transmissions. Trading Partner must resubmit any failed or garbled transmission in order for an electronic transaction to be effective. Whenever possible, BHC will re-queue data that was not successfully transmitted. BHC shall not be liable for any damages or expenses resulting from erroneous or failed transmissions or lost data including, but not limited to, lost profits.

- 2.3 Trading Partner agrees to notify its Client Providers of all communications that Trading Partner receives from BHC, as applicable. Further, Trading Partner will require its subcontractors and agents, and will require its Client Providers to require their subcontractors and agents, to provide reasonable assurance, evidenced by written contract, that such subcontractors and agents will comply with the same privacy and security obligations as Trading Partner set forth in this Agreement.
- 2.4 Both parties to this agreement shall be responsible for their own costs associated with preparing to effectively and reliably submit and receive electronic transactions and maintaining such capability.
- 2.5 Trading Partner will develop, implement, maintain and use appropriate administrative, technical and physical safeguards, in compliance with Social Security Act § 1173(d) (42 U.S.C. § 1320d-2(d)), 45 C.F.R. Part 164.530(c) and any other implementing regulations issued by the U.S. Department of Health and Human Services, to preserve the integrity and confidentiality of and to prevent non-permitted or violating use or disclosure of Protected Health Information (as that term is defined under HIPAA) transmitted under this Agreement. Trading Partner will document and keep these safeguards current. Trading Partner shall maintain security policies and procedures that comply with all applicable laws, rules and regulations. Specifically, without limitation, each party shall properly use all necessary security procedures to ensure that all transmissions of data are authorized and to protect the data from improper access.
- 2.6 BHC shall serve as a point of contact to instruct Trading Partner on operation and to provide support for Trading Partner as necessary.
- 2.7 Trading Partner acknowledges and agrees that Trading Partner:
- a) shall comply with any and all minimum system specifications that BHC provides to it;
  - b) shall adopt as its signature the electronic identification(s) that BHC requires to be used in connection with the electronic transmission of the transaction data to BHC (“Signatures”), and that such Signatures shall be relied upon by BHC to verify that Trading Partner originated the transmission of the transaction to BHC; and
  - c) shall be bound and shall cause Client Providers to be bound by the electronic transactions Trading Partner transmits to BHC pursuant to this Agreement in the same manner Trading Partner or Client Providers would be obligated and bound by a written document, to the extent such transaction contains a Signature, and shall constitute an “original” document when printed from electronic files and records established and maintained by either party in the normal course of business. Trading Partner agrees and shall cause its Client Providers to agree not to contest the validity or enforceability of documents transmitted with Signatures properly received by BHC, under the provision of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Trading Partner expressly waives and shall cause its Client Providers to expressly waive any right to object to the validity of a transaction solely on the grounds that communication between BHC and the Trading Partner on behalf of itself or its Client Providers occurred electronically.
- 2.8 BHC agrees to make or require Plans to make payment for Member claims or act on other electronic transactions contemplated by this Agreement in accordance with the requirements of BHC and the applicable Health Plan.

- 2.9 Trading Partner agrees on behalf of itself and shall require its Client Providers to agree, that BHC or the applicable Plan has the right to audit and confirm information submitted by Trading Partner, and to access all original source documents, including medical records, to the extent necessary to perform such audit or confirmation. Trading Partner shall and shall cause its Client Providers to maintain records regarding Members in accordance with prudent record-keeping procedures and shall comply with all applicable federal and state record keeping requirements and such other record keeping requirements as may be set forth elsewhere in this Agreement. The provisions set forth in this Section 2.9 shall survive the termination of this Agreement.
- 2.10 Trading Partner certifies on behalf of itself and shall require its Client Providers to certify that the appropriate patient authorization, or where applicable, appropriate signatures on behalf of patients releasing medical or other pertinent claims information and required physician certifications and recertifications, where applicable, are on file and that the information on electronic media, is correct and complete to the best of Trading Partner's knowledge.
- 2.11 In the event it is discovered through an audit or otherwise that an incorrect payment has been made to Trading Partner or a Client Provider under this Agreement, Trading Partner shall refund or cause the applicable Client Provider to refund to the applicable Plan all duplicate or erroneous payments regardless of the cause. Trading Partner agrees and shall cause its Client Providers to agree that in lieu of a refund, Plan may offset future payments due Trading Partner or Client Provider, as applicable. BHC shall require the applicable Plan to correct and pay to Trading Partner or Client Provider, as applicable, all underpayments of amounts due by Plan under this Agreement regardless of the cause. This Section shall survive the expiration or other termination of this Agreement.
- 2.12 Trading Partner agrees to correct and resubmit any and all submissions it makes to BHC that are not in accordance with the then current BHC requirements.
- 2.13 Any information transmitted electronically to or from BHC shall be deemed Confidential Information. BHC and Trading Partner shall use best efforts, and Trading Partner shall cause its Client Providers to use best efforts, to protect the confidential nature of any Confidential Information. Trading Partner shall immediately notify BHC of any unauthorized use or disclosure of the Confidential Information and shall cooperate with BHC in every reasonable way to help BHC to regain possession of the Confidential Information and prevent its further unauthorized disclosure or use. Trading Partner represents and warrants that Trading Partner shall fully comply, and shall cause its Client Providers to fully comply, with all applicable requirements of state and federal law governing Confidential Information. The provisions set forth in this Section 2.13 shall survive the termination of this Agreement.
- 2.14 In addition to any other obligations of Trading Partner set forth in this Agreement, Trading Partner shall defend, indemnify and hold BHC harmless from and against all liability, claims, lawsuits, demands, costs (including reasonable attorneys' fees), damages (including compensatory, punitive, statutory or other damages of all kinds), penalties, fines and expenses arising or alleged to arise from:
- a) the accuracy of information transmitted by Trading Partner;
  - b) any of its own or its agents' acts or omissions while transmitting, receiving, storing or handling data or performing activities related to the electronic transactions covered under this Agreement; and

- c) Trading Partner's or Client Provider's breach of any warranty, representation or other material obligation of this Agreement.

This indemnification expressly includes, but is not limited to, claims by any persons whose information is electronically transmitted to or from BHC. Trading Partner acknowledges that such damages could arise from and include, but are not limited to, violations of a person's right to privacy. In addition, Trading Partner acknowledges that any actions or failures to act described in this Section would cause BHC irreparable harm that could not be fully remedied by monetary damages. Accordingly, Trading Partner agrees that, in addition to this indemnification, BHC shall have the right to obtain such injunctive or other equitable relief from a court of competent jurisdiction as BHC may deem necessary or appropriate to prevent or stop those actions or failures to act from beginning or continuing. The provisions set forth in this Section 2.14 shall survive the termination of this Agreement.

- 2.15 Trading Partner will ensure, and will cause its Client Providers to ensure, that every electronic transaction that is a claim or request for review associated with a particular Member can be readily associated and identified with a source document including, without limitation, patient authorizations and signatures, to the extent required by law. Original source documents shall be available upon BHC's request.

- 2.16 THE SYSTEM AND ALL SERVICES RENDERED IN CONNECTION WITH IT ARE PROVIDED "AS IS." BHC DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, RESPECTING THE SYSTEM AND ALL SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. TO THE GREATEST EXTENT ALLOWED BY APPLICABLE LAW, BHC EXPRESSLY DISCLAIMS ALL LIABILITY OF ANY KIND ARISING FROM OR IN CONNECTION WITH THE SYSTEM AND ALL SERVICES RENDERED IN CONNECTION WITH IT INCLUDING, WITHOUT LIMITATION, TRADING PARTNER'S (AND ITS CLIENT PROVIDERS', AS APPLICABLE) USE AND/OR OPERATION OF THE SYSTEM, TRADING PARTNER'S (AND ITS CLIENT PROVIDERS', AS APPLICABLE) UNAUTHORIZED ACCESS TO THE SYSTEM, AND TRADING PARTNER'S (AND ITS CLIENT PROVIDERS', AS APPLICABLE) BREACH OF ANY MATERIAL OBLIGATION CONTAINED IN THIS AGREEMENT. IN NO EVENT SHALL BHC BE LIABLE FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THE SYSTEM OR ANY SERVICES PROVIDED UNDER THIS AGREEMENT, EVEN IF BHC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

### 3. GENERAL PROVISIONS

- 3.1 Either party may terminate this Agreement at any time upon thirty (30) days written notice to the other party. Either party may terminate this Agreement immediately for cause in the event the other party has materially breached the Agreement and such breach is incurable; the other party is acting in violation of laws or regulations; or the other party has breached the protections in this Agreement regarding the maintenance of confidential or proprietary information. Upon termination of this Agreement, all rights and licenses granted to Trading Partner hereunder shall terminate, and Trading Partner shall immediately cease submitting to BHC the electronic transactions covered hereunder.

- 3.2 BHC retains the right to amend this Agreement (including the EDI Users' Guide and Companion Documents ), any attachments or addenda, by making a good faith effort to provide notice to Trading Partner in advance of the effective date of the amendment as set forth below:
- a) BHC will provide notice at least five (5) days in advance of the effective date of the amendment for amendments that do not require Trading Partner to take any affirmative action on its part (e.g., without limitation, routine business communications notifying Trading Partners of minor modifications). BHC may communicate such notice to Trading Partner by any means reasonably calculated to reach Trading Partner. If Trading Partner decides not to accept the amendment, Trading Partner has the right to terminate this Agreement by providing written notice within ten (10) days from receipt of such notice from BHC. Trading Partner's termination shall take effect on the date that Trading Partner provides notice of Trading Partner's intention to terminate pursuant to this Section, and Trading Partner's post-termination obligations set forth in Section 3.1 shall apply. Failure of Trading Partner to provide such notice to BHC within the time frame described herein will constitute acceptance of the amendment by Trading Partner.
  - b) BHC will provide notice at least forty-five (45) days in advance of the effective date of the amendment for substantive amendments (e.g., without limitation, a required coding change) that require Trading Partner to take affirmative action on its part or which change Trading Partner's legal rights or obligations under this Agreement. BHC may communicate such notice to Trading Partner by any means reasonably calculated to reach Trading Partner. If Trading Partner decides not to accept the amendment, Trading Partner has the right to terminate this Agreement by providing written notice within thirty (30) days from receipt of such notice from BHC. Trading Partner's termination shall take effect fifteen (15) days from the date Trading Partner has provided notice of Trading Partner's intention to terminate pursuant to this Section, and Trading Partner's post-termination obligations set forth in Section 3.1 shall apply. Failure of Trading Partner to provide such notice to BHC within the time frame described herein will constitute acceptance of the amendment by Trading Partner.
  - c) BHC, in its sole discretion, will determine in good faith whether notice must be provided under subparagraph a) or b) above.
- 3.3 BHC may freely assign this Agreement. Trading Partner may, upon receipt of BHC's written consent that shall not be unreasonably withheld, assign this Agreement to a third party that agrees in writing to be bound by the terms of this Agreement. No other assignment by Trading Partner is permissible.
- 3.4 This Agreement and any amendments, addenda, or attachments, constitute the entire understanding between the parties and supersedes all prior oral or written agreements or understanding between them with respect to the matters provided for herein. In the event of a conflict between this Agreement and any of its attachments, this Agreement shall control, unless there is a specific statement in the conflicting attachment that it is intended to supersede the provisions of this Agreement.
- 3.5 Neither party shall be deemed to be in violation of this Agreement if such party is prevented from performing any of its obligations hereunder for any reason beyond its reasonable control, including without limitation, acts of God, acts of any public enemy, acts of terrorists, acts of war, floods, statutory or other laws, regulations, rules, or orders of the federal, state, or local government or any agency thereof.

- 3.6 This Agreement shall be adjudicated in, and governed by and construed in accordance with the laws of the State of Connecticut unless such laws are otherwise preempted by Federal law. However, issues specific to a Health Benefit Plan shall be governed and construed in accordance with the state laws where the Health Benefit Plan is issued, unless such State laws are otherwise preempted by Federal law.
- 3.7 Any notice required to be given pursuant to the terms and provisions of this Agreement (other than notice of an amendment to this Agreement pursuant to Section 3.2 above) shall be in writing and shall, unless otherwise set forth in this Agreement, be: (1) hand-delivered; (2) sent via electronic transmission to the electronic transmission location of record with a copy of the writing and confirmation mailed postage prepaid by regular mail; or (3) sent postage prepaid by regular mail, to the parties at the addresses set forth below, except that notice of termination shall be in writing and either hand-delivered or sent postage prepaid by certified mail, return receipt requested. Such address may be changed from time to time by written notice to the other party. Unless otherwise set forth in this Agreement, notice shall be effective on the date of the postmark, the facsimile confirmation date or the email confirmation date.

**If to BHC:**

Behavioral Health Connecticut, LLC  
P.O. Box 775  
Middletown, CT 06457  
ATTN: President

**If to Trading Partner:**

\_\_\_\_\_  
(Trading Partner Company Name)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City, State, Zip Code)

ATTN: \_\_\_\_\_  
(Title)

- 3.8 In case any one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the remaining provisions shall be construed liberally in order to effectuate the purposes hereof, and the validity, legality and enforceability of the remaining provisions shall not in any way be effected or impaired thereby.
- 3.9 Neither the waiver by either of the parties of a breach or a default of any of the provisions of this Agreement, nor the failure of either of the parties, on one or more occasion, to enforce any of the provisions of this Agreement, shall thereafter be construed as a waiver of any subsequent breach or default of any of the provisions of this Agreement.
- 3.10 Both parties shall comply with all requirements of the law relating to their obligations under this Agreement, and maintain in effect all permits, licenses, and governmental and board authorizations and approvals as necessary for business operations. From time to time local, state or federal legislative bodies, boards, departments or agencies may enact or issue laws, rules, or regulations pertinent to this Agreement. In such event, Trading Partner agrees to immediately

abide by all said pertinent laws, rules, or regulations and to cooperate with Plan and BHC to carry out any responsibilities placed upon Plan, BHC or Trading Partner by said laws, rules, or regulations, subject to Trading Partner's right to terminate as set forth under this Agreement. In the event of a conflict between this Section and any other Section in this Agreement, this Section 3.10 shall control.

**ACCEPTANCE: TRADING PARTNER ACKNOWLEDGES AND AGREES THAT ITS TRANSMISSION OF ELECTRONIC TRANSACTIONS TO BHC AFTER RECEIPT OF THIS AGREEMENT SHALL CONSTITUTE TRADING PARTNER'S ACCEPTANCE OF ALL OF THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT. THE EFFECTIVE DATE OF THIS AGREEMENT IS THE FIRST DATE ON WHICH TRADING PARTNER SUBMITS ELECTRONIC TRANSACTIONS TO BHC UNDER THIS AGREEMENT. IN NO EVENT SHALL THIS AGREEMENT BE EFFECTIVE PRIOR TO THE DATE ON WHICH BHC APPROVES TRADING PARTNER'S SUBMISSION OF ELECTRONIC CLAIMS TO IT, AND SUCH APPROVAL WILL NOT BE ATTAINABLE UNTIL, AMONG OTHER THINGS, THIS AGREEMENT HAS BEEN MADE AVAILABLE ELECTRONICALLY OR OTHERWISE TO TRADING PARTNER.**

IN WITNESS WHEREOF, the parties have executed or caused their duly authorized representatives to execute and deliver this Agreement as of the \_\_\_ day of \_\_\_\_\_, 200\_.

BEHAVIORAL HEALTH CONNECTICUT, LLC

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By: Sam Moy, Ph.D.  
Title: President  
Address: P.O. Box 775  
Middletown, CT 06457

TRADING PARTNER:

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By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_