

SAMPLE CHAIN OF TRUST PARTNER AGREEMENT

Chain of Trust Partner Agreement

Introduction

THIS CHAIN OF TRUST PARTNER AGREEMENT is made as of [date] by and between [Name of facility] facility, a corporation, with offices at [address] and [Name of partner] partner, a corporation, with offices at [address].

[Facility] and [Partner] have entered into this Chain of Trust Partner Agreement to comply with HIPAA and the draft regulations requirement for such an Agreement, as well as our duty to protect the confidentiality and integrity of confidential medical information as required by law, professional ethics, and accreditation requirements.

[Facility] and [Partner] desire to facilitate the [provision of][billing for][other] medical care by electronically transmitting and receiving data in agreed formats in substitution for conventional paper-based documents and to assure that such transactions comply with relevant laws and regulations.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

Section 1. Prerequisites.

1.1. Documents; Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Appendix and transaction sets that the parties by written agreement add to the Appendix (collectively ADocuments@). All documents shall be transmitted in accordance with the standards set forth in the Appendix.

1.2.1. Third Party Service Providers. The parties will transmit Documents electronically to each party either, as specified in the Appendix, directly or through any third party service provider with which either party may contract. Either party may modify its election to use, not use, or change a third party service provider upon 30 days= prior written notice.

1.2.2. Costs of Third Party Service Providers. Each party shall be responsible for the costs of any third party service provider with which it contracts unless otherwise set forth in the Appendix.

1.2.3. Liability for Acts of Third Party Service Providers. Each party shall be liable for the acts or omissions of its third party service provider while transmitting, receiving, storing, or handling Documents, or performing related activities, for, with, to, or from such party; provided that if both the parties use the same third party service provider to effect the transmission and receipt of a Document,

the originating party shall be liable for the acts or omissions of such third party service provider as to such Document.

1.3. System Operations. Each party, at its own expense, shall provide and maintain the equipment, software, services, and testing necessary to effectively, reliably, and confidentially transmit and receive Documents.

1.4. Security Procedures. Each party shall properly use those security procedures, including those specified in the Appendix, which are reasonably sufficient (a) to ensure that all transmissions of Documents are authorized, (2) to protect the integrity and confidentiality of patient information, and (3) to protect its business records and data from improper access.

1.5. Signatures. Each party shall adopt as its signature (ASignature@) an electronic identification consisting of symbol(s) or code(s) that are to be affixed to or contained in each Document transmitted by such party. Each party agrees that any Signature of such party affixed to or contained in any transmitted Document shall be sufficient to verify that such party originated such Document. Neither party shall disclose to any unauthorized person the Signature of the other party.

Section 2. Transmissions.

2.1. Proper Receipt. Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the receiving party at such party=s Receipt Counter designated in the Appendix.

2.2. Verification. Upon proper receipt of any Document, the receiving party shall promptly and properly transmit a functional acknowledgment in return, unless otherwise specified in the Appendix. A functional acknowledgment shall constitute conclusive evidence that the receiving party has properly received a Document

Section 3. Integrity and Confidentiality of Medical Information.

3.1. Integrity. The parties will take reasonable measures to protect the integrity of all Documents and data. Neither party will insert any virus, key locks, or other programs into the system, regardless of whether or not a dispute exists between the parties. The receiving party will return the information in usable form upon request or at the end of the contract.

3.2. Confidentiality. The parties will keep all medical information concerning identifiable patients strictly confidential and use such information only for the purposes of providing services under the contract. The parties will disclose such information only to those of their employees who have authorized access to the information and who have signed an agreement to hold the information in confidence. Neither party will redisclose such information except with the patient=s consent or as otherwise authorized by law.

3.3. Indemnification. A breaching party agrees to indemnify the other for any special, incidental, exemplary, or consequential damages, including legal fees and costs, if the other party is found liable for or otherwise harmed by a breach of integrity or confidentiality that is the fault of the breaching party.

Section 4. Miscellaneous.

4.1. Termination. This Agreement shall remain in effect until terminated by either party with not less than 30 days prior written notice to the other party, which notice shall specify the effective date of the termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement before the effective date of termination.

4.2. Severability. Any provision of this Agreement that a court of competent jurisdiction determines to be unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement.

4.3. Force Majeure. No party shall be liable for any failure to perform its obligations in connection with any Transaction or any Document where such failure results from any act of God or other cause beyond such party's reasonable control (including, without limitation, any mechanical, electronic, or communications failure) that prevents such party from transmitting or receiving any Documents.

4.4. Limitation of Damages. Other than as specified in paragraph 3.3, neither party shall be liable to the other for any special, incidental, exemplary, or consequential damages arising from or as a result of any delay, omission, or error in the electronic transmission or receipt of any Documents pursuant to this Agreement, even if either party has been advised of the possibility of such damages.

4.5. Arbitration. Any controversy or claim arising out of or relating to this Agreement or the breach thereof, shall be settled in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The prevailing party may enforce any award rendered by the arbitrator(s) by seeking a judgment on the award in any court having jurisdiction.

EACH PARTY has caused this Agreement to be properly executed on its behalf as of the date first above written.

For: [Name of Facility]

For: [Name of Partner]

BY: _____
[printed name & title]

BY: _____
[printed name & title]