



City of Grand Island

Tuesday, December 22, 2015

Council Session

Item G-11

**#2015-344 - Approving Agreement with General Collection Co.,
Inc. for Ambulance Collections Services**

Staff Contact: William Clingman, Interim Finance Director

Council Agenda Memo

From: William Clingman, Interim Finance Director

Meeting: December 22, 2015

Subject: Approval of Agreement with General Collection Co., Inc. for Ambulance Collections Services

Presenter(s): William Clingman, Interim Finance Director

Background

Utility and Ambulance collection services are currently operating under contracts establish in 2003. Therefore, an RFP (Request for Proposals) was advertised in the Grand Island Independent on October 8, 2015. Submittals were due at 4:00 PM (CST) on October 27, 2015. At that time nine submittals were received.

Discussion

A committee was established within the Finance Department to evaluate the RFP's that were submitted. The committee reviewed and scored potential bidders primarily on three criteria, which were:

1. Ability to send and receive files in the required formats
2. Percentage (%) fee of the amount collected
3. Proof of ability to collect (percentage of amount collected vs. total amount sent to collections).

Ambulance and Utility services were also evaluated separately. After the evaluation process for Ambulance collections was completed, the committee decided to move forward with General Collection Co., Inc. as their choice for Ambulance collections services.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the Resolution as presented.
2. Refer the item to a committee

3. Postpone the issue to a future meeting.
4. Take no action.

Recommendation

City Administration recommends that the Council approve the contract with General Collection Co., Inc.

Sample Motion

Move to approve the contract with General Collection Co., Inc.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
COLLECTION AGENCY SERVICES**

RFP DUE DATE: October 27, 2015 at 4:00 p.m.
DEPARTMENT: Finance
PUBLICATION DATE: October 8, 2015
NO. POTENTIAL BIDDERS: 3

SUMMARY OF PROPOSALS RECEIVED

I.C. System
St. Paul, MN

Creditor Advocates, Inc.
Burnsville, MN

Credit Management
Grand Island, NE

General Collection Co., Inc.
Grand Island, NE

Monarch Recovery Management, Inc.
Philadelphia, PA

Kansas Counselors, Inc.
Lenexa, KS

The Affiliated Group
Rochester, MN

Online Collections
Winterville, NC

United Adjustments
Kentland, IN

cc: Marlan Ferguson, City Administrator
Stacy Nonhof, Purchasing Agent

William Clingman, Interim Finance Director

P1846

BUSINESS ASSOCIATE AGREEMENT

This business associate agreement ("Agreement") is made by City of Grand Island - Ambulance and General Collection Company ("Business Associate").

RECITALS

WHEREAS, the parties have entered into a business relationship whether by contract, commercial course of dealing or otherwise, whereby Business Associate provides services to Covered Entity and Business Associate receives, has access to creates, maintains, or transmits protected health information in order to provide those services; and

WHEREAS, City of Grand Island – Ambulance is a covered entity as defined by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), is acting on behalf of the covered entities (City of Grand Island - Ambulance shall be referred to as a "Covered Entity");

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of protected health information disclosed to Business Associate in compliance with the Health Insurance Portability and Accountability Act of 1996, (HIPAA), the Health Information Technology for Economic and Clinical Health Act, the ("HITECH Act"), and regulations promulgated thereunder, and as may be amended from time to time (collectively the "Privacy and Security Regulations"), and other applicable laws; and

WHEREAS, in accordance with the Privacy and Security Regulations, Covered Entity and Business Associate are required to enter into contract containing specific requirements as set forth in the Privacy and Security Regulation:

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1.0. Definitions

- 1.1. "Breach" means the unauthorized acquisition, access, use, or disclosure of protected health information not permitted by the Privacy and Security Regulations which compromises the security or privacy of the protected health information.
- 1.2. "Designated Record Set" Means a group of records maintained by or for a covered entity that is: (i) the medical records and billing records about individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (iii) used, in whole or in part, by or for the covered entity to make decisions about individuals. For purposes of this paragraph, the term "record" means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for a covered entity.
- 1.3. "Disclose" and "Disclosure" mean, with respect to protected health information, the release, transfer, provision of access to, or divulging in any other manner of protected health information outside Business Associate's internal operations.
- 1.4. "Electronic Protected Health Information" or "Electronic PHI" means protected health information that is transmitted by electronic media (as defined by the Privacy and Security Regulations) or is maintained in electronic media.
- 1.5. "Protected Health Information" or "PHI" means information, including demographic information, that (i) relates to the past, present, or future physical mental health or 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; (ii) identifies the individual (or for which there is a reasonable basis for believing that the information can be used to identify the individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business

Associate, or is made accessible to Business Associate by Covered Entity. PHI includes, without limitation, Electronic PHI.

- 1.6. "Secretary" means the secretary of the U.S. Department of Health and Human Services or his or her designee.
- 1.7. "Services" Means those activities, functions, or services that Business Associate provides for, or on behalf of Covered Entity.
- 1.8. "Subcontractor" means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of member of the workforce of such business associate.
- 1.9. "Unsecured PHI" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of technology or methodology specified in guidance by the Secretary in guidance issued under Section 13402 (h)(2) of Public law 111-5 (the HITECH Act).
- 1.10. "Use" or "Uses" mean, with respect to PHI, the sharing, employment, application, utilization, examination, or analysis of such PHI within Business Associate's internal operations.
- 1.11. Terms used, but not otherwise defined in this Agreement shall have the same meaning as those terms in the Privacy and Security Regulations.

2.0. Assurances by Business Associate Regarding PHI. Business Associate warrants that it shall comply with relevant portions and agrees as follows of the Privacy and Security Regulations as those regulations apply to business associates and business associate subcontractors. More specifically, and insofar that Business Associate has access to, has been provided with, maintains, transmits, or will be creating PHI regarding Covered Entity's patients, Business Associate warrants and agrees as follows:

- 2.1. Permitted Uses and Disclosures of PHI. Business Associate shall Use and Disclose PHI in the amount minimum necessary to perform the Services for or on behalf of Covered Entity, provided that such Use or Disclosure would not violate the Privacy and Security Regulations if done by Covered Entity. Business Associate:
 - 2.1.1 shall Disclose PHI to Covered Entity upon request; or
 - 2.1.2 may Use PHI as necessary for the proper management and administration of its business or to carry out its legal responsibilities. Business Associate may Use and Disclose PHI if:
 - 2.1.2.1 the Disclosure is required or permitted by law, or
 - 2.1.2.2 Business Associate obtains reasonable assurance from the person to whom the PHI is Disclosed that the PHI will be held confidentially and Used or further Disclosed only as required by law or for the purpose for which it was Disclosed to the person, and the person agrees to notify Business Associate of any instances of which the person is aware in which the confidentiality of the PHI has been breached.

Business Associate shall not Use or Disclose PHI for any other purpose.

2.2. Prohibition on the Sale of PHI. Business Associate shall not directly or indirectly receive remuneration in exchange for any of Covered Entity's PHI unless Covered Entity or Business Associate obtain a valid, signed authorization from individual whose PHI is at issue, that includes a specification of whether the PHI can be further exchanged for remuneration by the entity receiving the PHI, except as otherwise permitted by the Privacy and Security Regulations.

2.3. Adequate Safeguards for PHI.

- 2.3.1 Business Associate shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of PHI in any manner other than permitted by this Agreement.
- 2.3.2 Business Associate shall implement administrative, physical, and technical safeguards set forth in the Security Regulations that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity.
- 2.3.3 Business Associate shall maintain policies and procedures, conduct ongoing risk assessment and risk management of its security program, identify a security official, and train and discipline its work force in

compliance with the relevant portions of the Privacy and Security Regulations. Business Associate agrees to make its policies and procedures, risk assessments, and training and education documents available to Covered Entity upon Covered Entity's request.

- 2.4. Implementation of Red Flags Identity Theft Prevention Program. To the extent that Business Associate's Services provided for or on behalf of Covered Entity include regularly extending, renewing, or continuing credit to individuals, or regularly allowing individuals to defer payment for services, including setting up payment plans in connection with one or more covered accounts, as the term is defined by the Federal Trade Commission's Red Flag Rules. Business Associate warrants that it shall comply with the Red Flag Rules and, specifically, have in place and implement a written identity theft prevention program designed to identify, detect, mitigate, and respond to suspicious activities that could indicate that identity theft has occurred in Business Associate's business practice.
- 2.5. Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, policies and procedures, books, and records relating to the Use and Disclosure of PHI available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.
- 2.6. Access to PHI.
 - 2.6.1. Business Associate shall make PHI maintained by Business Associate in a designated record set available to Covered Entity, or as directed by Covered Entity, to the individual identified as being entitled to access and copy that PHI within the time frame and in a manner specified by Covered Entity.
 - 2.6.2. If Business Associate uses or maintains Electronic PHI, Business Associate must provide access to such PHI in an electronic format if so requested by an individual if the PHI is readily producible in such form or format; or if not, in a readable copy form or such other form and format as agreed by individual, Covered Entity, and Business Associate.
- 2.7. Amendment of PHI. Business Associate shall make PHI maintained by Business Associate in a designated record set available to Covered Entity for the purpose of amendment and incorporating such amendments into PHI within the time and in such a manner specified by Covered Entity.
- 2.8. Accounting of Disclosures. Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of PHI made by Business Associate or its employees, agents, representatives, or subcontractors.
 - 2.8.1 Business Associate shall implement a process that allows for an accounting to be collected and maintained for any Disclosure of PHI for which Covered Entity is required to maintain. Business Associate shall include in the accounting: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the PHI; (c) a brief description of the PHI disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that requires an accounting under this section, Business Associate shall document the information specified in (a) through (d), above, and shall securely retain this documentation for six (6) years from the date of the Disclosure.
 - 2.8.2 For repetitive Disclosures of Covered Entity's PHI that Business Associate makes for a single purpose to the same person or entity, the Disclosure information that business Associate must record is either the Disclosure information specified above for each accountable Disclosure, or (a) the Disclosure information specified above for the first of the repetitive accountable Disclosure; (b) the frequency, periodicity, or number of the repetitive accountable Disclosures; and (c) the date of the last of the repetitive accountable Disclosures.
- 2.9. Reporting Breaches and Unauthorized Use or Disclosure of PHI and Security Incidents.
 - 2.9.1 Business Associate shall report to Covered Entity:

- 2.9.1.1 A Breach of PHI:
- 2.9.1.2 Each access, acquisition, Use, or Disclosure of PHI that is made by Business Associate, its employees, representatives, agents, or subcontractors but is not specifically permitted by this Agreement; or
- 2.9.1.3 Any security incident of which it becomes aware. A security incident means the attempted, or successful unauthorized access, acquisition, Use, Disclosure, modification or destruction of information, or interference with the system operation of an information system.
- 2.9.2. Business Associate's Notice to Covered Entity
 - 2.9.2.1 Business Associate shall notify Covered Entity's Privacy Official by telephone call without unreasonable delay within three business days on which Business Associate knows of such Breach. Unauthorized Use or Disclosure, or Security Incident, or by exercising reasonable diligence would have been known to Business Associate. Business Associate shall notify Covered Entity of all Breaches, even if Business Associate determines there is a low probability that the PHI has been compromised based on its risk assessment.
 - 2.9.2.2 Business Associate shall provide a full written report to Covered Entity's Privacy Official within five business days of verbal notice. Business Associate shall include the following in the written report:
 - 2.9.2.2.1 Describe the nature of the Breach, which will include a description of what occurred, including the date of any Breach and the date of the discovery of the Breach and whether the PHI was actually acquired or reviewed;
 - 2.9.2.2.2 Identify Covered Entity's PHI that was subject to the non-permitted Use or Disclosure or Breach including name, demographic information, social security number and other information involved including types of identifiers and likelihood of re-identification;
 - 2.9.2.2.3 Identify who made the non-permitted Use or Disclosure and who received the non-permitted Use or Disclosure;
 - 2.9.2.2.4 Describe what corrective action the Business Associate took or will take to prevent further non-permitted Uses or Disclosures, to mitigate harmful effects, and to protect against any further Breaches;
 - 2.9.2.2.5 Identify what steps the individuals who are the subject of a Breach should take to protect themselves; and
 - 2.9.2.2.6 Provide such other information as Covered Entity may reasonably request.

3.0. Notice to Covered Entity. Any notice required under this Agreement to be given to Covered Entity shall be made to:

Address: _____
 Attention: _____
 Phone: _____
 Email: _____

4.0. Notice to Business Associate. Any notice required under this Agreement to be given to Business Associate shall be made to:

| | |
|-------------------|---|
| Privacy Official: | <u>Gail Schenck</u> |
| Address: | <u>310 N Walnut St., Grand Island NE 68803</u> |
| Phone and Fax: | <u>308-381-1423 ext. 303</u> |
| Email: | <u>gail@generalcollection.com</u> |

5.0. Mitigation and Cooperation. Business Associate shall mitigate, at Business Associate's sole cost and expense, any harmful effect that is known to it for the Breach, or Use, or Disclosure of PHI in violation of this Agreement.

Covered Entity shall be solely responsible, based upon the facts of the Breach Business Associate provides to Covered Entity, to conduct a risk assessment to determine whether PHI has been compromised and notification to individuals is required. Business

Associate shall cooperate with Covered Entity in the notification of individuals as required and in the manner as set forth in the Privacy and Security Regulations.

6.0. Remedies in Event of Breach of PHI. In the event of a Breach of PHI, Covered Entity shall be entitled to enjoin and restrain Business Associate from any continued violation of this Agreement.

6.1 Notification costs related to Breach of PHI. In the event of a Breach caused by Business Associate, the costs related to notifying the affected individuals shall be borne by Business Associate. Such costs, if appropriate and reasonable under the circumstances, may include the actual cost of notification, setting-up and managing a toll-free number, and credit monitoring.

6.2 Indemnification. Each party shall indemnify, defend, and hold harmless the other party, its directors, officers, employees, and agents from and against any and all claims, actions, demands, liabilities, judgments, losses, damages, penalties, fines, costs, fees, expenses, and reasonable attorney's fees (collectively, the "Losses") that are attributable or allegedly attributable to the acts or omissions of the indemnifying party or indemnifying party's material breach of this Agreement.

7.0. Covered Entity Obligations. Covered Entity shall notify Business Associate of:

7.1 Any limitations in covered Entity's notice of privacy practices to the extent that such limitation may affect Business Associate's Use or Disclosure of PHI;

7.2 Any changes in, or revocation of, permission by the individual to Use or Disclose PHI, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

7.3 Any restriction to the Use or Disclosure of PHI that Covered Entity has agreed to provide to the individual, to the extent that such restriction may affect the Business Associate's Use or Disclosure of PHI.

8.0. Disposition of PHI Upon Termination or Expiration. Upon termination or expiration of this Agreement, Business Associate shall either return or destroy, in Covered Entity's sole discretion and in accordance with any instructions by Covered Entity, all PHI in the possession or control of Business Associate or its agents and subcontractors. However, if either return or destruction of PHI is not feasible, Business Associate may retain PHI provided that Business Associate (a) continues to comply with the provisions of this Agreement for as long as it retains PHI, and (b) limits further Uses and Disclosures of PHI to those purposes that make the return or destruction of PHI infeasible.

9.0. Document Retention. Business Associate shall maintain all documentation required by the Privacy and Security Regulations for a period of six (6) years.

10.0. Conflict. In the event there is a conflict between the language of this Agreement and the Services, the terms and conditions of this Agreement shall control.

11.0. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

12.0. Independent Contractor. Covered Entity and Business Associate expressly acknowledge and agree that Business Associate is an independent contractor and shall not for any purpose be deemed to be an agent, employee, servant, partner, or joint venture of Covered Entity.

13.0. Use of Subcontractors and Agents. Business Associate agrees to ensure that its subcontractors and agents shall implement reasonable and appropriate safeguards to protect Covered Entity's PHI. Business Associate agrees to ensure that any subcontractors and agents that create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information. Moreover, Business Associate agrees to ensure any such subcontractor or agent agrees to implement reasonable and appropriate safeguards to protect covered Entity's Electronic PHI.

14.0. Term and Termination. The term of this Agreement shall be the same as the term of the underlying services agreement. In addition to and notwithstanding the termination provisions set forth in the underlying services agreement, both this Agreement and the agreement may be terminated by Covered Entity immediately and without penalty upon written notice by Covered Entity to Business Associate if Covered Entity determines, in its sole discretion, that Business Associate has violated any material term of this Agreement. The terms and conditions under this Agreement shall survive the termination of the underlying services agreement.

15.0. Interpretation. Any ambiguity in this Agreement shall be resolved to permit the parties to comply with the Privacy and Security Regulations.

16.0. Enforcement. Business Associate acknowledges that, in the event it, or its subcontractors, violates any applicable provision of the Security Regulation or any term of this Agreement that would constitute a violation of the Privacy Rule, Business Associate will be subject to and will be directly liable for any and all civil and criminal penalties that may result from Business Associate or its subcontractors' violation.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date stated below.

Business Associate:

Name: General Collection Company, Inc .
Address: 310 N Walnut St., Grand Island NE 68801
By: Gail Schenck
Title: Privacy Official
Signature: _____
Date: _____

Covered Entity:

Name: City of Grand Island - Ambulance
Address: _____
By: _____
Title: _____
Signature: _____
Date: _____

CONTRACT FOR SERVICES

THIS CONTRACT FOR SERVICES (this "Agreement") is made this 24 day of August 2015, between General Collection Company, a corporation duly incorporated under the laws of the State of Nebraska (the "Company"), and City of Grand Island - Ambulance, a medical facility, duly licensed under the laws of the State of Nebraska (the "Provider").

Witnesseth:

WHEREAS, the Provider desires to engage the Company to handle certain patient collection services on behalf of the Provider's patient accounts office, and,

WHEREAS, the Company desires to accept such engagement offered by the Provider;

NOW, THEREFORE, in consideration for the mutual obligations contained herein the Company and the Provider, each intending to be legally bound, hereby mutually covenant and agree as follows:

1. **Term.** This Agreement shall be effective as of the date first above written (the "Effective Date"). Subject to the provisions of Section 3 of this Agreement, the Agreement shall remain in full force and effect for at least one year beyond the Effective Date (the "Initial Term").

2. **Use and Disclosure of Protected Health Information.** The parties hereto agree that in order for the Company to perform its duties under this Agreement, it will be necessary for the Company to use and disclose Protected Health Information ("PHI"), as such term is defined at 45 §CFR 164.501.

2.1 *Permitted and Required Uses and Disclosure of PHI.* The parties hereto agree that the Company may use and disclose PHI in order to carry out any Payment function covered under the definition of "Payment" contained in 45 §CFR 164.501. The parties hereto further agree that the Company may use or disclose PHI for any use or disclosure that is required by law.

2.2 *Use and Disclosure of Minimum Necessary Amount of PHI.* The parties hereto desire to ensure that the Provider only discloses to the Company the minimum necessary amount of PHI necessary for the Company to perform its duties under this Agreement. The parties hereto agree that the following information is the minimum necessary in order for the Company to perform its duties under this Agreement.

[NOTE: Insert below the data elements that the Company and the Provider have negotiated and agreed are the minimum necessary needed by the Company to perform its duties under this Agreement.]

- (A) Date of Service
- (B) Dollar Amount of Service
- (C) General description of Service, ex: appointment, exam, office visit, patient name of different that guarantor.
- (D) Upon the Company's receipt of a written request from patient requesting verification of the account information, the Provider shall provide the Company with an itemization of the services and the date(s) such service(s) were rendered to the patient and which pertain to the account receivable referred to the Company pursuant to the Agreement.

3. **Termination.**

- 3.1 *After the Initial Term.* After the expiration of the Initial Term, either party may at any time for any or for no reason, terminate this Agreement upon sixty (60) days written notice to the other party. At the end of the Initial Term, unless the parties have renegotiated an additional term for this Agreement, this Agreement shall remain in full force and effect unless this Agreement is terminated pursuant to the provision of Section 3 herein.
- 3.2 *Continued Efforts.* Upon termination of this Agreement for any reason other than pursuant to Section 3.4 below, the Company shall be entitled to continue working on all accounts received from the Provider prior to the termination date of this Agreement period.
- 3.3 *No Obligation to Continue Collection.* The Company will be able to work on any accounts placed with the Company after the Company has received notice of the Provider's intent to terminate this Agreement.
- 3.4 *Termination by the Provider for Breach.* Notwithstanding the provisions of Section 1 and Section 3.1 of his Agreement, pursuant to 45 CFR §164.504(e)(2)(iii), the Provider may terminate this Agreement if the Provider determines that the Company has breached a material term of this Agreement. In the event of a material breach of the Company's duties and responsibilities contained in Sections 4.7 through and including 4.15 of this Agreement, the Provider may immediately terminate this Agreement upon written notice to the Company. In the event of a claimed material breach of any other provision of this Agreement by the Company, the Provider shall give the Company written

notice of the alleged material breach. The Company shall have ten (10) days from the date of any written notice of breach to cure the alleged breach. In the event the Company cures the alleged breach within the ten (10) day time period, this Agreement shall remain in full force and effect. In the event that the Company fails to cure the alleged breach within the ten (10) day time period, this Agreement shall terminate.

3.5 *Termination by the Company for Breach.* In the event of a claimed material breach of any provision of this Agreement by the Provider, the Company shall give the Provider written notice of the alleged material breach. The Provider shall have ten (10) days from the date of any written notice of breach to cure the alleged breach. In the event the Provider cures the alleged breach within the ten (10) day time period, this Agreement shall remain in full force and effect. In the event that the Provider fails to cure the alleged beach within the ten (10) day time period, this Agreement shall terminate.

3.6 *Company's Right to Receive Compensation on Certain Accounts After Termination.* The parties hereto expressly agree that the Company shall be entitled to continue receiving compensation after termination of this Agreement by any party, for any reason, or for no reason at all, for payments received by either the Company or the Provider on all the accounts.

4. **Duties and Responsibilities of the Company.** The Company shall:

4.1 *Collection Notices.* Cause the generation and mailing of collection notices to the Provider's patients;

4.2 *Inbound Calls.* Receive and handle any inbound calls from the Provider's patients concerning such collection notices;

4.3 *Outbound Calls.* Make outgoing calls to the Provider's patients concerning the payment of accounts;

4.4 *Staffing.* Dedicate an appropriate number of employees and/or independent contractors to work on the accounts placed with the Company by the Provider;

4.5 *Reports.* Upon request, furnish the Provider with monthly management reports concerning liquidation percentage, canceled and returned accounts,

- 4.6 *Computer Access.* Allow the Provider appropriate access to the Company's computer system for the purpose of performing periodic account audits;
- 4.7 *Restrictions on Use and Disclosure of PHI.* The Company shall not use or further disclose any PHI other than as permitted or required by this Agreement, or as required by law;
- 4.8 *Safeguarding of PHI.* The Company shall use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for in this Agreement;
- 4.9 *Reporting of Unauthorized Use of Disclosure of PHI.* The Company shall report to the Provider any use or disclosure of PHI not provided for by this Agreement of which the Company becomes aware;
- 4.10 *Protection of PHI by Agents and Subcontractors.* The Company shall ensure that any agents, including any subcontractors, to whom it provides PHI received from, or created or received by the Company on behalf of the Provider agrees to the same restriction and conditions that apply to the Company with respect to such PHI;
- 4.11 *Access to PHI.* The Company shall make available PHI in accordance with 45 CFR §164.524. Within ten (10) days after receipt of a request from the Provider for access to PHI in the possession of the Company, the Company shall make such PHI available to the Provider. Within ten (10) days after receipt of a request from an individual for access to PHI in the possession of the Company, the Company shall forward such request to the Provider;
- 4.12 *Amendments to PHI.* Within ten (10) days after receipt of a request from the Provider for an amendment to any PHI, the Company shall make the requested PHI available to the Provider for amendments into the PHI in accordance with 45 CFR §164.526. Within ten (10) days after receipt of a request from an individual for an amendment to any PHI, the Company shall forward such request to the Provider;
- 4.13 *Accountings.* Within ten (10) days after receipt of notice from the Provider that the Provider has received a request from an individual for an accounting of disclosures of PHI regarding the individual during the six (6) years prior to the date on which the accounting requested, the Company shall make available to the

Provider such information as is in the Company's possession and is required for the Provider to provide an account of disclosures of PHI to the individual in accordance with 45 CFR §164.528;

4.14 *Internal Practices, Books and Records.* The Company shall make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by the Company on behalf of the Provider available to the Secretary of the Department of Health and Human Services for the purposes of determining the Providers compliance with Subpart E of Part 164 of Title 45 of the Code Federal Regulations; and

4.15 *Duties with Regard to PHI Upon Termination of this Agreement.* At termination of this Agreement, if feasible, the Company shall return or destroy all PHI received from or created or received by the Company on behalf of the Provider that the Company still maintains in any form and retain no copies of such PHI. If such return or destruction is not feasible, the Company shall extend the protections of this Agreement to the PH and limit further uses and disclosures of the PHI to those purposes that make the return or destruction of the PHI not feasible.

5. Duties and Responsibilities of the Provider.

5.1 *Notice of Bankruptcies.* The Provider shall immediately notify the Company upon receipt of any notification of the commencement of any proceeding under the United States Bankruptcy Code initiated on behalf of any patient whose account has been placed with the Company by the Provider;

5.2 *Notice of Attorney Representation.* The Provider shall immediately notify the Company upon receipt of any notification that an attorney represents any patient whose account has been placed with the Company by the Provider;

5.3 *Preparation and Delivery of Accountings.* It shall be the sole responsibility of the Provider to prepare and deliver any accounting requested pursuant to 45 CFR §14.528;

5.4 *Decisions Concerning Access to PHI.* In the event that an individual has requested access to PHI directly from the Company, and the Company has forwarded such request to the Provider in accordance with Section 4.11 of this Agreement, it shall be the sole responsibility of the Provider to determine whether to grant or deny such access; and,

5.5 *Amendment of PHI.* In the event that an individual has requested an amendment to PHI directly from the Company, and the Company has forwarded such request to the Provider in accordance with Section 4.12 of this Agreement, it shall be the sole responsibility of the Provider to determine whether to allow or disallow such amendment.

6. Representation and Warranties of the Provider. The Provider hereby represents and warrants to the Company as follows:

- 6.1 *Bankruptcies.* The Provider shall not place any accounts with the Company that, as of the date of placement, are included in any proceeding under the United States Bankruptcy Code which has been initiated on behalf of any individual or entity;
- 6.2 *Attorney Representation.* If the Provider knows that a patient is represented by an attorney, the Provider shall notify the Company of such attorney representation at the time the Provider places any of such patient's accounts with the Company;
- 6.3 *Accurate Information.* All accounts placed with the Company by the Provider shall contain accurate information;
- 6.4 *Consents and Authorization.* Prior to disclosing and PHI to the Company the Provider shall obtain all required consents and authorizations pursuant to 45 CFR §164.506 and 45 CFR §164.508 respectively, sufficient to permit the disclosure of PHI from the Provider to the Company, and to permit the Company to perform its duties pursuant to the terms of this Agreement;
- 6.5 *No Restrictions.* The Provider shall not place any account with the Company if the Provider has agreed to any individual's request to restrict the use or disclosure of PHI connected with such account pursuant to 45 CFR §164.522; and,
- 6.6 *Organization and Authority.* The Provider is a chiropractor validly licensed under the law of the State of Nebraska and has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Provider and constitutes a legal, valid and binding obligation of the Provider, enforceable against it in accordance with its terms.

7. **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Provider as follows:

7.1 *Organization and Authority.* The Company is a corporation validly incorporated under the laws of the State of Nebraska and has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms.

8. **Compensation.**

8.1 *Non-Legal Accounts.* The Provider shall compensate the Company by remitting to the Company 25 percent (25%) of all amounts recovered without resort to legal action on accounts that have been placed with the Company.

8.2 *Legal Accounts.* The Provider shall compensate the Company by remitting to the Company 25 percent (25%) of all amounts recovered after the commencement of legal action on accounts that have been placed with the Company. For the purposes of this Agreement, legal action shall be considered to have commenced upon the service of a summons and complaint upon the defendant.

8.3 *Forwarded Accounts.* The Provider shall compensate the Company by remitting to the Company 40 percent (40%) of accounts recovered with respect to all accounts forwarded to another company for collection.

9. **Notice of Payment Information.** The Provider shall transmit a monthly report to the Company listing the following information for each account on which a payment was received by the Provider (hereafter referred to as "Direct Payments") during the prior month.

- A) The amount of the payment;
- B) The name of the patient or the guarantor of the patient's account;
- C) The Provider's account number.

The Provider's duties under this Section 9 of the Agreement shall continue subsequent to termination of this Agreement with respect to payments

received upon which the Company remains entitled to receive compensation pursuant to Section 3.6 of this Agreement.

10. **Payment of Fees.** The Company shall submit a monthly invoice (the “Invoice”) to the Provider detailing the fees due from the Provider to the Company. The Invoice shall list the following information for each Direct Payment and for each account on which the Company received a payment during the period covered by the Invoice:
- A) The amount(s) of the payment(s);
 - B) The name of the patient or the guarantor of the patient’s account;
 - C) The Provider’s account number(s); and,
 - D) The Company’s total fee(s).

The Company’s Invoices to the Provider shall be due in full upon receipt. Any Invoice balance not paid in full within (30) days of the date of such Invoice shall accrue interest at the compounded rate of one and one half percent (1.5%) per month. In the event the Company files any action against the Provider for the recovery of fees due from the Provider to the Company pursuant to this Agreement, the Provider acknowledges and agrees that the Company shall be entitled to recover from the Provider all costs incurred by the Company in prosecuting such action, including, without limitation, reasonable attorney’s fees.

The Provider’s duties under this Section 10 of this Agreement shall continue subsequent to termination of this Agreement with respect to payment received upon which the Company remains entitled to receive compensation pursuant to Section 3.6 of this Agreement.

11. **Confidentiality.** The parties agree to keep all of the terms of this Agreement strictly confidential, including without limitation, the Compensation terms contained in Section 8 of this Agreement. The parties further agree to maintain the confidentiality of an confidential information and/or trade secrets that they may learn about each other throughout the course of this Agreement, including without limitation, the terms of any contracts that the other party may have with any third parties. The Company agrees to keep all Protected Health Information received from, or created or received by the Company on behalf of the Provider confidential except as necessary for the Company to perform its duties pursuant to the terms of this Agreement. The duties of the parties detailed in this Section 11 of this Agreement shall continue in full force and effect for a period of two (2) years after termination of this Agreement for any reason, except for the Company’s duty to maintain the confidentiality of Protected Health Information which shall continue forever, unless disclosure of such information should be allowed or required by law.

12. **No Third Party Beneficiaries.** The Provider and the Company hereby expressly understand and agree that individuals whose PHI is disclosed by the Provider to the Company are not intended to be third party beneficiaries of the Agreement.

13. **Independent Contractor Status.** The parties hereto expressly agree that in performing its duties under this Agreement, the Company is acting as an independent contractor of the Provider. Nothing contained herein is intended, nor shall it be construed to create, a joint venture relationship, a partnership, or an employer-employee relationship between the parties.

14. **Notices.** All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed within the continental United States by first-class certified mail, return receipt requested, postage prepaid, addressed as follows:

A) If to the Company, to:

General Collection Company
 Attn: Mark Stelk, President
 310 North Walnut-PO Box 1423
 Grand Island, NE 68802

With a copy to:
 (which shall not constitute notice)

Laurtsen, Bownell, Brostrom, & Stehlik
 Attn: Galen Stehlik
 PO Box 400
 Grand Island, NE 68802

B) If to the Provider, to:

With a copy to:

Such addresses may be changed by written notice sent to the other party at the last recorded address of that party.

15. **No Assignment.** Except as may specifically be provided in this Agreement to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties and their respective legal representatives, successors, and assigns. Except as otherwise expressly provided herein, this Agreement is not assignable by any party without the prior written consent of the other party, and no payment to be made hereunder shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or other change.

16. **Waiver of Breach.** The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed to constitute a waiver of any subsequent breach of the same or another provision.

17. **Voluntary Agreement.** The Company and the Provider warrant and represent that this Agreement is executed voluntarily with full knowledge of the consequences and implications of their obligations contained herein, and that they have carefully and thoroughly reviewed this Agreement in its entirety.

18. **Warrant of Authority.** The undersigned individually warrant and represent that they are authorized to execute this Agreement.

19. **Execution In Counterparts; Executive via Facsimile.** This Agreement may be executed by the parties hereto in any number of counterparts, each of which shall be deemed an original, and all of which shall be deemed one and the same instrument, and all signatures need not appear on any one counterpart. If executed in counterparts, this Agreement will be as effective as if simultaneously executed. Signatures on the Agreement may be communicated by facsimile transmission and shall be binding upon the parties transmitting the same by facsimile transmission. Counterparts with original signatures shall be provided to the other party within fifteen (15) day of the applicable facsimile transmission, provided, however, that the failure to provide the original counterpart shall have no effect on the validity or the binding nature of the Agreement.

20. **Governing Law and Venue.** This Agreement shall be construed and interpreted in accordance with and governed by the laws of the State of Nebraska. The Company and the Provider hereby expressly agree that any action to interpret, construe, enforce this Agreement shall be brought in the County Court in and for Hall County, in the State of Nebraska.

21. **Enforcement.** If either party resorts to legal action to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover the costs and expenses of the action, including without limitation, reasonable attorneys' fees.

22. **Severability.** If any provision of this Agreement shall be adjudged by any court of competent jurisdiction to be invalid or unenforceable for any reason, such judgment shall not affect, impair or invalidate the remainder of this Agreement.

23. **Further Assurances.** The parties hereto agree to execute such other instruments, documents or agreements as may be reasonable, necessary or desirable for the implementation of this Agreement and the consummation of the transactions contemplate herein.

24. **Entire Agreement.** This Agreement embodies the entire agreement of the parties hereto, and supersedes all other oral or written agreements or understandings between them regarding the subject matter hereof. There are no agreements, representations or warranties of any kind, except as expressly set forth in this Agreement. The parties acknowledge that in executing this Agreement they have relied solely on their own judgment, belief and knowledge, and the advise of their own respective legal counsel, and, except for representations expressly set forth herein, they have not been influenced by any other representation or statement.

25. **Amendment.** No modification, amendment, or alteration of this Agreement shall be valid unless in writing and signed by each of the parties hereto.

26. **Gender and Number.** Whenever the context of this Agreement requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural.

27. **Heading Descriptive.** The headings of the several sections of this Agreement are intended for convenience only and shall not in any ay affect the meaning or construction of any of this Agreement.

28. **Change in Law.** The parties hereto shall modify any term of this Agreement or the omission of any term from this Agreement violates any federal or state law or regulation, including, without limitation: the Standards for Privacy of Individually Identifiable Health Information (45 CFR parts 160 and 164); the Health Insurance Reform: Standards for Electronic Transactions; Announcement of Designated Standard Maintenance Organizations (45 CFR Parts 160 and 163); an, the Security and Electronic Signature Standards (the "Security Standard") (45 CFR Part 142) (or the final version of the Security Standard once such final version is released), all promulgated under the Health Insurance Portability and Accountability Act of 1996 (Pub. L 104-191).

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

GENERAL COLLECTION COMPANY

By: _____
Mark Stelk, President

City of Grand Island - Ambulance

By: _____
_____, _____

RESOLUTION 2015-344

WHEREAS, the City of Grand Island advertised a request for proposal for ambulance collection agency services; and

WHEREAS, the City received and reviewed proposals from vendors; and

WHEREAS, General Collections Co., Inc. is the vendor recommended to provide ambulance collection agency services; and

WHEREAS, General Collections Co., Inc. will charge the City Of Grand Island a fee of 25% of the gross amount collected, unless the account is forwarded to another agency then the fee is 40%.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, to approve the contract with General Collections Co., Inc. for ambulance collection agency services.

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Adopted by the City Council of the City of Grand Island, Nebraska, December 22, 2015.

Jeremy L. Jensen, Mayor

Attest:

Nicki Stoltenberg
Assistant to the City Administrator

| | |
|---------------------|-----------------|
| Approved as to Form | ☐ _____ |
| December 18, 2015 | ☐ City Attorney |