Appendix A

HIPAA BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective _____ ("Effective Date") is entered into by and among (i) the University of Kentucky, for and on behalf of UK HealthCare ("UK"), (ii) Ashland Hospital Corporation d/b/a UK King's Daughters Medical Center ("AHC"), for and on behalf of itself and its subsidiaries King's Daughters Medical Specialties, Inc. ("KDMS"), Ashland Nursing Home Corporation d/b/a Kingsbrook Nursing Home ("KNH"), Kentucky Medical Logistics, Inc. ("KML"), Kentucky Heart Foundation, Inc. ("KHF"), and Kentucky Heart Institute, Inc.("KHI"); (iii) Portsmouth Hospital Corporation d/b/a King's Daughters Medical Center Ohio ("KDOH") (AHC, KDMS, KNH, KML, KHF, KHI, and KDOH may sometimes be collectively sometimes referred to hereinafter as "UKKD"), and (iv) St. Claire Medical Center, Inc. d/b/a UK St. Claire HealthCare ("SCH") (UK, AHC, KDMS, KNH, KML, KHF, KHI, KDOH, and SCH may sometimes be referred to hereinafter singly or collectively as the "Covered Entity," and collectively as the "Covered Entities"), on the one hand, and (iv) _____ (the "Business Associate"), on the other hand (each a "Party" and collectively the "Parties").

The Covered Entities have each entered into an arrangement, and/or one or more of them may enter into an arrangement, by which the Business Associate may have occasion to record or view, and/or use and/or disclose Protected Health Information ("PHI") in performing Services on behalf of the Covered Entity ("Underlying Agreement"). When used in this Agreement, the term Underlying Agreement means all existing or future agreements or arrangements between or among one or more of the Covered Entities on the one hand, and the Business Associate on the other hand, in which Business Associate views, records, or otherwise uses and/or discloses PHI in performing Services on behalf of the Covered Entity. The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), and its implementing regulations, including, without limitation, the Privacy and Security Rules (collectively "HIPAA Rules"). This Agreement, in conjunction with the Privacy and Security Rules, sets forth the terms and conditions pursuant to which PHI (electronic and non-electronic) that is created, received, maintained, or transmitted by, the Business Associate from or on behalf of Covered Entity, will be handled between the Business Associate and Covered Entity and with third Parties during the term of their Underlying Agreement and after its termination. Therefore, in consideration of the mutual promises, covenants, terms and conditions contained herein and intending to be legally bound, the Parties agree as follows:

1. PERMITTED USES AND DISCLOSURES OF PHI

1.1 Services. Pursuant to the Underlying Agreement, Business Associate provides services ("Services") for Covered Entity that involve the use and disclosure of PHI. Except as otherwise specified herein, the Business Associate may make any and all uses and disclosures of PHI in the amount minimally necessary to perform its obligations under the Underlying Agreement provided that such use or disclosure shall not violate the HIPAA Rules if done by the Covered Entity. Moreover, Business Associate may disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents, in accordance with Section 2.1.e of this Agreement, or (ii) as otherwise permitted by or as required by the Privacy or Security Rule. All other uses or disclosures not authorized by this Agreement are prohibited.

1.2 Business Activities of the Business Associate and Other Specific Uses and Disclosures. Unless otherwise limited herein and if permitted under the Privacy and Security Rules, the Business Associate may:

a. Use the PHI in its possession for its proper management and administration and to fulfill any present or future legal responsibilities of the Business Associate provided that such uses are permitted under state and Federal confidentiality laws.

b. Disclose the PHI in its possession to third parties for the purpose of its proper management and administration or to fulfill any present or future legal responsibilities of the Business Associate, provided that the Business Associate represents to Covered Entity, in writing, that (i) the disclosures are Required by Law or (ii) the Business Associate has received from the third party reasonable written assurances that the PHI will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the third party as required under 45 C.F.R. § 164.504(e)(4) and § 164.314, and the third party notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

c. Except as otherwise limited in this Agreement, use the PHI to provide data aggregation services relating to the health care operations of the Covered Entity.

d. Use PHI to report violations of law to appropriate state and Federal authorities, consistent with 45 CFR § 164.502(j)(1).

e. De-identify any and all PHI in its possession but only if such de-identification is accomplished in accordance with the Privacy Rule.

2. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

2.1 Responsibilities of the Business Associate. With regard to its use and/or disclosure of PHI, the Business Associate hereby agrees to do the following:

a. Not use or disclose PHI other than as permitted or required by the Agreement or as Required by Law;

b. Use and maintain appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to Electronic PHI, including, without limitation, implementing administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of Electronic PHI to prevent use or disclosure of PHI other than as provided for by the Agreement. Such safeguards must meet the requirements set forth in 45 CFR §§ 164.308, 164.310, 164.312 and 164.316 and be undertaken in a manner consistent with any guidance issued by the Secretary commencing on the effective date of such guidance. The Business Associate shall document and keep these safeguards

current as proscribed by the Security Rule. Upon request by Covered Entity, Business Associate will provide evidence of all such safeguards utilized by Business Associate to safeguard Electronic PHI;

c. Report to Covered Entity the following occurrences relating to PHI ("PHI Incident"), including those PHI Incidents by the Business Associate's employees, representatives, agents or subcontractors: (i) any access, acquisition, use or disclosure of PHI not provided for by this Agreement, (ii) any breach of unsecured PHI (actual or suspected), and (iii) any Security Incident of which it becomes aware. Business Associate shall notify Covered Entity by telephone call within twenty-four (24) hours from which Business Associate knows, discovers or by exercising reasonable diligence would have known of or discovered the PHI Incident. Within forty-eight (48) hours of verbal notice, the Business Associate shall provide a full written report of the PHI Incident to the Covered Entity, including, without limitation, (i) the names and contact information of each Individual whose PHI has been or is reasonably believed by the Business Associate to have been accessed, acquired, used or disclosed during the PHI Incident, (ii) a brief description of what happened, including the date of the PHI Incident and the date of discovery of the PHI Incident, if known, (iii) a description of the types of unsecured PHI involved in the PHI Incident, (iv) any steps Individuals should take to protect themselves from potential harm resulting from the PHI Incident, (v) a brief description of what Business Associate is doing to investigate the PHI Incident, to mitigate harm to Individuals and to protect against any further PHI Incidents, (vi) any other information requested by Covered Entity or deemed relevant by Business Associate. Business Associate shall promptly supplement such notice with additional information as it becomes available. Notwithstanding the foregoing, the Parties understand that pings and other broadcast scans, unsuccessful log-on attempts, denial of service attacks and any combination of the above shall not be considered a Security Incident, so long as no such incident results in the defeat or circumvention of any security control, or in the unauthorized access, use or disclosure of PHI provided by Covered Entity. Business Associate shall provide specific details on any such unsuccessful security incident upon Covered Entity's request.

d. Mitigate, to the extent practicable and at Business Associate's sole cost and expense, any harmful effect that is known to exist as a result of a PHI Incident described in Section 2.1c of this Agreement. Additionally, the Business Associate shall cooperate with the Covered Entity in its mitigation efforts, including without limitation, its efforts to recover its PHI or prevent or curtail such threatened or actual PHI Incident. In the event of a PHI Incident, Business Associate agrees to cooperate with the Covered Entity in complying with all state and Federal public notification requirements arising from such PHI Incident, including, without limitation, providing Covered Entity with any information necessary to comply with such notification requirements upon Covered Entity's request and, at Covered Entity's discretion, paying all costs and expenses related to conducting any necessary investigations and notifying the affected Individuals. Such costs, if appropriate and reasonable under the circumstances, may include the actual cost of notification, setting-up and managing a toll-free number, email address, website and postal address and credit monitoring.

e. Ensure that any subcontractors or agents that create, receive, maintain, or transmit PHI on behalf of the Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to the Business Associate through this Agreement with respect to such information, including, without limitation, using and maintaining safeguards in accordance with Section 2.1b of this Agreement. Business Associate shall comply with the applicable HIPAA Rules governing its agreements with such subcontractors or agents.

f. Ensure that any agent or subcontractor to whom the Business Associate provides PHI, as well as Business Associate, not transmit, export, download, store or maintain PHI beyond the borders of the United States of America.

g. To the extent Business Associate has PHI in a designated record set and within the time and manner specified by Covered Entity, make available PHI in a designated record set to Covered Entity, or, as directed by Covered Entity, to the Individual entitled to access and copy of that PHI as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.524. If an Individual makes a request for access to PHI directly to Business Associate, Business Associate shall promptly notify Covered Entity in writing of the request and obtain Covered Entity's prior written consent before making such disclosure. If the Covered Entity is required to provide access to the Individual in electronic format, the Business Associate shall provide access to the Covered Entity, or, as directed by the Covered Entity, to the Individual in such electronic format if such format is readily producible, or in another readable electronic format as may be agreed to by the Business Associate or Covered Entity and Individual.

h. Within the time and manner specified by Covered Entity, make any amendment(s) or correction(s) to PHI in its possession contained in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR § 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.526.

i. Document, maintain and, within the time and manner specified by the Covered Entity, make available to the Covered Entity or to the Individual, upon the Covered Entity's request, the information required to provide an accounting of disclosures as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.528 and Section 13405(c) of the HITECH Act. Business Associate shall implement a process that allows for an accounting to be collected and maintained for any disclosure of PHI made by Business Associate or its employees, agents, representatives or subcontractors for which Covered Entity is required to maintain. If the Business Associate uses or maintains an electronic health record with respect to PHI, Business Associate agrees to document disclosures made through an electronic health record for treatment, payment or health care operations and information related to such disclosures as would be required for Covered Entity to respond to a request by Individual for an accounting of disclosures in accordance with 45 CFR § 164.528 and Section 13405(c) of the HITECH Act.

j. To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under the Privacy Rule, comply with the requirements of the

Privacy Rule that apply to the Covered Entity in the performance of such obligation(s).

k. Upon request, make its internal practices, books, records, agreements, policies and procedures available to the Secretary in a time and manner specified by the Secretary for purposes of determining compliance with the HIPAA Rules and the terms of this Agreement. Unless otherwise prohibited by law, Business Associate shall promptly notify Covered Entity of communications with the Secretary regarding PHI provided by or created by Covered Entity and shall provide Covered Entity with copies of any information Business Associate has made available to the Secretary under this provision.

l. With respect to uses, disclosures and requests of PHI, comply with the minimum necessary requirements of the HIPAA Rules and any guidance from the Secretary on what constitutes minimum necessary commencing on the effective date of such guidance.

m. 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, 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 practices.

n. Not sell any PHI. Further, Business Associate shall not receive any other remuneration, directly or indirectly, in exchange for PHI, unless so allowed by the terms of the Underlying Agreement, with the Covered Entity's prior approval, and in accordance with the HIPAA Rules.

o. Not engage in any marketing or fundraising activities or communications with any individual unless such marketing or fundraising activities or communications are allowed by the terms of the Underlying Agreement and are made with the Covered Entity's prior approval and in accordance with the HIPAA Rules. Further, any payment for marketing activities shall be in accordance with the HIPAA Rules.

p. Cooperate in good faith in response to any reasonable requests by Covered Entity to discuss, review and evaluate Business Associate's compliance with the HIPAA Rules and this Agreement. Should the Covered Entity determine that the Business Associate is not in compliance, the Business Associate shall cooperate with the Covered Entity to develop a mutually agreeable plan for becoming compliant.

q. Secure and protect all Personal Information as defined by and in accordance with Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the "Act") that is created, received, accessed, collected, maintained or transmitted by Business Associate from or on behalf of Covered Entity, by, without limitation, (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act, (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as the security and breach investigation procedures and practices referenced in KRS 61.932(1)(b), and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation or destruction, (iii) notifying Covered Entity of a security breach relating to Personal Information in the possession of Business Associate or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)(2) and, in the case of Personal Information which includes PHI, the exception set forth in 45 CFR 164.412 applies and Business Associate abides by the requirements set forth in those exceptions, (iv) cooperating with Covered Entity in complying with the response, mitigation, correction, investigation and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Covered Entity, and (vi) at Covered Entity's discretion and direction, handling all administrative functions associated with notification, investigation and mitigation. The requirements set forth in this Section 2.1q shall be in addition to the other requirements set forth in this Agreement and the Underlying Agreement and in the event of a conflict between the requirements set forth in this Section 2.1q and any other requirement set forth in this Agreement and/or the Underlying Agreement, the more stringent requirements shall control.

r. Comply with Part 2 (as defined below) to the extent applicable. Certain of Covered Entity's operations may constitute a Program as defined in the federal alcohol and drug rehabilitation regulations located at Part 2. With respect to the Part 2 Program, Business Associate also will be a Qualified Service Organization as defined under Part 2. To the extent that information subject to 42 C.F.R. Part 2 ("Part 2") is be used and disclosed for Covered Entity's treatment, payment and/or health care operations under the terms of this Agreement and the Underlying Agreement, Business Associate is fully bound by the regulations at Part 2 in receiving, storing, processing, or otherwise dealing with any covered records from the Part 2 Program and shall: (i) comply with Part 2, (ii) implement appropriate safeguards to protect such information, (iii) report non-permitted uses or disclosures of such information in a manner consistent with this Agreement, (iv) refrain from using and re-disclosing such information unless permitted by law (including Part 2); and (v) if necessary, resist in judicial proceedings any efforts to obtain access to patient identifying information related to substance use disorder diagnosis, treatment, or referral for treatment except as permitted by Part 2.

2.2 Responsibilities of Covered Entity. With regard to the use and/or disclosure of PHI by the Business Associate, Covered Entity hereby agrees:

a. to inform the Business Associate of any limitations in the form of notice of privacy practices that Covered Entity provides to Individuals pursuant to 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

b. to inform the Business Associate of any changes in, or revocation of, the permission by an Individual to use or disclose PHI, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

c. to notify the Business Associate, in writing and in a timely manner, of any restriction on the use or disclosure of PHI that Covered Entity has agreed to or is required to abide by under 45 CFR § 164.522, to the extent that such restriction may impact in any manner the use and/or disclosure of PHI by the Business Associate under this Agreement. If the Business Associate receives a request to restrict the disclosure of PHI directly from an Individual, Business Associate shall notify Covered Entity of such request and Covered Entity shall be responsible for making the determination, in accordance with the Privacy Rule, as to whether Business Associate shall comply with that request.

d. Except if the Business Associate will use or disclose PHI for (and the Underlying Agreement includes provisions for) data aggregation or management, administration and legal activities and responsibilities of the Business Associate, the Covered Entity will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity.

3. TERM AND TERMINATION

a. Term. The Term of this Agreement shall commence on the Effective Date, and shall remain in full force and effect unless terminated in accordance with this Agreement.

b. Termination for Cause by Covered Entity. The Covered Entity may terminate immediately this Agreement and any related agreements covering the services provided by the Business Associate for or on behalf of the Covered Entity if Covered Entity determines Business Associate has engaged in an activity or practice that constitutes a material breach or violation of the Agreement. Alternatively, the Covered Entity may elect to provide written notice of the material breach to the Business Associate, after which the Business Associate shall have thirty (30) days to take reasonable steps to cure the breach or end the violation. The Covered Entity may also require Business Associate to submit a plan of monitoring and reporting mutually agreed to by the Parties as Covered Entity may determine necessary to maintain compliance with this Agreement. If the Business Associate does not cure the breach or end the violation within the specified time, the Covered Entity may terminate this Agreement.

c. Obligations of Business Associate upon Termination, Cancellation or Expiration. Immediately upon termination, cancellation or expiration of this Agreement for any reason, Business Associate shall return or remove and destroy all PHI created or received from Covered Entity or created or received by Business Associate on behalf of Covered Entity in whatever form or medium in the possession or control of Business Associate or its agents and subcontractors and certify such complete and full return or removal and destruction of all PHI in writing. The Business Associate and its subcontractors or agents shall retain no copies of the PHI, including any compilations derived from and allowing identification of PHI. Prior to return or destruction, the Business Associate further agrees to recover any PHI in the possession or control of its subcontractors or agents and to notify its subcontractors or agents of the obligations set forth herein. If the Business Associate destroys PHI, it shall be done with the use of technology or methodology that renders PHI unusable, unreadable, or undecipherable to unauthorized individuals as specified by the Secretary's guidance.

If it is not feasible for the Business Associate to return or destroy the PHI, the Business Associate shall (i) notify Covered Entity in writing of the conditions making return or destruction infeasible, (ii) extend any and all protections, limitations and restrictions contained in this Agreement to such PHI, and (iii) limit any further uses and disclosures to the purposes that make the return or destruction infeasible for so long as Business Associate maintains such PHI. If it is infeasible for the Business Associate to obtain, from a subcontractor or agent any PHI in the possession of the subcontractor or agent, the Business Associate must provide a written explanation to Covered Entity and require the subcontractors and agents to agree in writing to extend any and all protections, limitations and restrictions contained in this Agreement to the subcontractors' and/or agents' use and/or disclosure of any PHI retained after the termination of this Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible for so long as the subcontractor or agent maintains such PHI.

The Business Associate's obligations under this Section 3.c shall survive the expiration or termination of this Agreement for any reason.

d. Termination Upon Expiration of the Underlying Agreement. Either party may terminate this Agreement upon the termination or expiration of the Underlying Agreement by providing written notice to the other party.

4. INDEMNIFICATION; LIMITATIONS OF LIABILITY

4.1 Indemnification. The Business Associate shall indemnify, defend and hold harmless Covered Entity and Covered Entity's employees, directors, officers, subcontractors, agents or other members of its workforce from any claims, inquiries, costs (including, without limitation, notification, investigation and mitigation costs), damages, expenses, judgments, losses, and attorney's fees arising from any breach of this Agreement by Business Associate, including, without limitation, any security breach relating to PHI or Personal Information (as defined by KRS 61.931(6)) in possession of Business Associate or its representatives, outsourcers, auditors, subcontractors or agents, or arising from any negligent or wrongful acts or omissions of Business Associate or its representatives, outsourcers, auditors, subcontractors or agents, including failure to perform its obligations under the Privacy and Security Rules and/or this Agreement. The Business Associate's indemnification obligation shall survive the expiration or termination of this Agreement for any reason.

4.2 No Limitation of Liability. No limitation of liability provision in this Agreement, the Underlying Agreement, or any other agreement between or among the Parties shall be effective to limit the liability of the Business Associate for breaches of PHI or a breach of this Agreement.

5. AUDITING

5.1 Auditing. Business Associate represents and warrants that it maintains adequate internal audit functions to annually assess internal controls in its environment, and to protect the security and confidentiality of PHI. Business Associate agrees to provide documentation regarding its internal controls to Covered Entity upon request. Business Associate agrees that it has undertaken, or will undertake, at its sole cost and expense, an independent SSAE 16 Type II audit or comparable independent attestation to confirm Business Associate's controls over its processes. Business Associate will provide to Covered Entity all internal or external audit reports, certifications, information, documentation, electronic records and data regarding Business Associate's internal controls, and if requested by Covered Entity, Business Associate will grant Covered Entity and its agents or subcontractors, the right to audit Business Associate's operations, systems and software to confirm internal controls are present and operating.

If the information presented to Covered Entity regarding Business Associate's internal controls is not acceptable to Covered Entity in its reasonable discretion, Business Associate shall present an action plan acceptable to Covered Entity, to correct any and all portions of the systems, software, products, documentation, or internal controls. Business Associate shall undertake all activities relating to its preparation of the action plan and to its correction of any inadequate controls or mitigation of risks revealed by deficiencies in its internal controls at Business Associate's sole cost and expense and within a reasonable time period as agreed upon by Covered Entity. Should Business Associate fail to provide adequate internal controls as described in this Section 5.1, or to present an action plan acceptable to Covered Entity within the mutually agreed upon time frame, Covered Entity shall be entitled, in its sole discretion, to terminate this Agreement and the Underlying Agreement with no liability whatsoever to Business Associate upon written notice to the Business Associate.

6. MISCELLANEOUS

6.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under this Agreement shall survive termination of this Agreement indefinitely.

6.2 Amendments; Waiver. This Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events. The Parties agree to take such action as is necessary to amend this Agreement from time to time in order for the Parties to comply with the HIPAA Rules and any other applicable law.

6.3 Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.

6.4 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever; provided, however, that this Agreement shall apply to any existing or future affiliates of UK that perform Covered Functions, including (but are not limited to) any existing or future affiliated corporations (as that term is used in KRS 164A.610) created or controlled by UK.

6.5 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or (other than for the delivery of fees) via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

_____

_____

_____

Attention: _____

Fax: _____

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

_____

_____

_____

Attn: _____

Fax: _____

If to Covered Entity:

If to University of Kentucky, to:

University of Kentucky
Attn: Privacy Officer
2333 Alumni Park Plaza, Suite 400
Lexington, Kentucky 40517
Fax: (859) 257-8325
Phone: (859) 323 – 8002

and

University of Kentucky
Attn: Jennifer Collins
Director of Clinical Contracting
Charles T Wethington Building
900 Limestone Street, Suite 309G
Lexington, KY 40506-0020
Fax: (859) 257-5123
Phone: (859) 323-0006

If to UKKD, to:

Ashland Hospital Corporation d/b/a UK King's Daughters
Attn: Privacy Officer
2201 Lexington Ave.
Ashland, KY 41101

and

Ashland Hospital Corporation d/b/a UK King's Daughters
Attn: General Counsel
2201 Lexington Ave.
Ashland, KY 41101

If to SCH, to:

St. Claire Medical Center, Inc. d/b/a UK St. Claire HealthCare
Attn: Chief Executive Officer
222 Medical Circle
Morehead, KY 40351

and

St. Claire Medical Center, Inc. d/b/a UK St. Claire HealthCare
Attn: Jill Rhodes, Privacy Officer
222 Medical Circle
Morehead, KY 40351

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided.

6.6 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. Any such counterpart delivered by facsimile machine or by electronic mail shall have the same binding legal effect of an original executed counterpart.

6.7 Disputes. If any controversy, dispute or claim arises between the Parties with respect to this Agreement, the Parties shall make good faith efforts to resolve such matters informally, it being the intention of the Parties that they reasonably cooperate with each other in the performance of the mutual obligations under this Agreement.

6.8 Contradictory Terms. Any provision of the Underlying Agreement or any other agreement between the Business Associate and the Covered Entity that is directly contradictory to, conflicts with or is inconsistent with one or more terms of this Agreement ("Contradictory Term") shall be superseded by the terms of this Agreement as of the Effective Date of this Agreement.

6.9 Governing Law. This Agreement and any Underlying Agreement shall be governed by the laws of the Commonwealth of Kentucky notwithstanding any conflicts of law provisions to the contrary. The Parties further agree that any legal action which is brought on the basis of this Agreement and Underlying Agreement shall be filed in Franklin Circuit Court of the Commonwealth of Kentucky.

6.10 Assignment. Neither Party may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party.

6.11 Nature of Agreement. Nothing in this Agreement shall be construed to create a partnership, joint venture, or other joint business relationship between the Parties or any of their affiliates, or a relationship of employer and employee between the Parties. Rather, it is the intention of the Parties that their relationship shall be that of independent contractors.

6.12 Entire Agreement. This Agreement constitutes the entire agreement between the Business Associate and the Covered Entity relating to matters specified in this Agreement and supersedes all prior representations or agreements, whether oral or written, with respect to such matters (including, without limitation, any prior business associate agreements).

7. DEFINITIONS.

a. Business Associate. "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean the named Business Associate hereinabove.

b. Covered Entity. "Covered Entity" shall generally have the same meaning as the term "Covered Entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the named Covered Entity hereinabove, as well as any other entity specifically identified in any joint notice of privacy practices utilized pursuant to the Privacy Rule

c. HIPAA Rules. "HIPAA Rules" shall mean HIPAA, the HITECH Act, and their implementing regulations, including, without limitation, the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended for which compliance is required.

d. Electronic Protected Health Information or Electronic PHI. Electronic PHI which is transmitted by Electronic Media (as defined in the HIPAA Security and Privacy Rule) or maintained in Electronic Media limited to the information created, received, maintained or transmitted by the Business Associate from or on behalf of the Covered Entity. Unless otherwise stated in this Agreement, any provision, restriction or obligation in this Agreement related to the use or disclosure of PHI shall apply equally to Electronic PHI.

e. Privacy Officer. Privacy Officer shall have the meaning as set out in its definition at 45 C.F.R. § 164.530(a)(1) as such provision is currently drafted and as it is subsequently updated, amended or revised.

f. Privacy Rule. Privacy Rule shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164 and any other applicable provision of HIPAA and any amendments thereto.

g. Security Rule. Security Rule shall mean the Standards for Security of Electronic Protected Health Information at 45 CFR Parts 160, 162, and 164 and any other applicable provision of HIPAA and any amendments thereto.

h. Secretary. Secretary shall mean the Secretary of the United States Department for Health and Human Services or his designee.

i. Terms used, but not otherwise defined in this Agreement, shall have the same meaning as those terms in the HIPAA Rules.

Appendix A

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf on the date set forth above.

(vendor name)

By: _____

Name: _____

Title: _____

("Business Associate")

Covered Entities:

University of Kentucky, for and on behalf of UK HealthCare

By: _____

Name: _____

Title: _____

("UK")

Ashland Hospital Corporation d/b/a UK King's Daughters Medical Center, for and on behalf of itself and its subsidiaries King's Daughters Medical Specialties, Inc., Ashland Nursing Home Corporation d/b/a Kingsbrook Nursing Home, Kentucky Medical Logistics, Inc., Kentucky Heart Foundation, Inc., and Kentucky Heart Institute, Inc.

By: _____

Name: _____

Title: _____

Portsmouth Hospital Corporation d/b/a King's Daughters Medical Center Ohio

By: _____

Name: _____

Title: _____

("UKKD")

St. Claire Medical Center, Inc. d/b/a UK St. Claire HealthCare

By: _____

Name: _____

Title: _____

("SCH")