APPENDIX III TO MASTER SERVICES AGREEMENT 866349

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

This Business Associate Agreement is dated May 8, 2014, and is between Aetna Life Insurance Company ("Aetna") and Williamson County ("Customer") for and on behalf of Customer's health benefit plan for which Aetna provides plan administration services (the "Plan").

In conformity with the regulations at 45 C.F.R. Parts 160-164 (the "Privacy and Security Rules") Aetna will under the following conditions and provisions have access to, maintain, transmit, create and/or receive certain Protected Health Information:

1. Definitions. The following terms shall have the meaning set forth below:
   (a) ARRA. "ARRA" means the American Recovery and Reinvestment Act of 2009
   (b) Breach. "Breach" has the meaning assigned to such term in 45 C.F.R. 164.402.
   (c) C.F.R. "C.F.R." means the Code of Federal Regulations.
   (d) Designated Record Set. "Designated Record Set" has the meaning assigned to such term in 45 C.F.R. 164.501.
   (e) Discovery. "Discovery" shall mean the first day on which a Breach is known to Aetna (including any person, other than the individual committing the breach, that is an employee, officer, or other agent of Aetna), or should reasonably have been known to Aetna, to have occurred.
   (f) Electronic Protected Health Information. "Electronic Protected Health Information" means information that comes within paragraphs 1(i) or 1(ii) of the definition of "Protected Health Information", as defined in 45 C.F.R. 160.103.
   (g) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502 (g).
   (h) Protected Health Information "Protected Health Information" shall have the same meaning as the term "Protected Health Information", as defined by 45 C.F.R. 160.103, limited to the information created or received by Aetna from or on behalf of Customer.
   (i) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.
   (j) Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
   (k) Security Incident. "Security Incident" has the meaning assigned to such term in 45 C.F.R. 164.304.
   (l) Standard Transactions. "Standard Transactions" means the electronic health care transactions for which HIPAA standards have been established, as set forth in 45 C.F.R., Parts 160-162.
   (m) Unsecured Protected Health Information. "Unsecured Protected Health Information" means Protected Health Information that is not secured through the use of a technology or methodology specified by guidance issued by the Secretary from time to time.

2. Obligations and Activities of Aetna
   (a) Aetna agrees to not use or disclose Protected Health Information other than as permitted or required by this Appendix or as Required By Law.
   (b) Aetna agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Appendix.
   (c) Aetna agrees to mitigate, to the extent practicable, any harmful effect that is known to Aetna of a use or disclosure of Protected Health Information by Aetna in violation of the requirements of this Appendix.
   (d) Aetna agrees to report to Customer any Security Incident of the Protected Health Information not allowed by this Appendix of which it becomes aware, except that, for purposes of the Security Incident reporting requirement, the term "Security Incident" shall not include inconsequential incidents that occur on a daily basis, such as scans, "pings" or other unsuccessful attempts to penetrate computer networks or servers containing electronic PHI maintained by Aetna.

(e) Aetna agrees to report to Customer any Breach of Unsecured Protected Health Information without unreasonable delay and in no case later than sixty (60) calendar days after Discovery of a Breach. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Aetna, to have been, accessed, acquired, or disclosed In connection with such Breach. In addition, Aetna shall provide any additional information reasonably requested by Customer for purposes of investigating the Breach. Aetna's notification of a Breach under this section shall comply in all respects with each applicable provision of Section 13400 of Subtitle D (Privacy) of ARRA, 45 C.F.R. 164.410, and related guidance issued by the Secretary from time to time.

(f) Aetna agrees to ensure that any subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of Aetna agree in writing to the same restrictions and conditions that apply through this Appendix to Aetna with respect to such information, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), if applicable.

(g) Aetna agrees to provide access, at the request of Customer, and in the time and manner designated by Customer, to Protected Health Information in a Designated Record Set, to Customer or, as directed by Customer, to an Individual in order to meet the requirements under 45 C.F.R. 164.524.

(h) Aetna agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Customer directs or agrees to pursuant to 45 C.F.R. 164.526 at the request of Customer or an Individual, and in the time and manner designated by Customer.

(i) Aetna agrees to make (i) internal practices, books, and records, including policies and procedures, relating to the use and disclosure of Protected Health Information received from, or created or received by Aetna on behalf of, Customer, and (ii) policies, procedures, and documentation relating to the safeguarding of Electronic Protected Health Information available to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Customer's or Aetna's compliance with the Privacy and Security Rules.

(j) Aetna agrees to document such disclosures of Protected Health Information as would be required for Customer to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

(k) Aetna agrees to provide to Customer the information collected in accordance with this Section to permit Customer to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

(l) With respect to Electronic Protected Health Information, Aetna shall implement and comply with the administrative safeguards set forth at 45 C.F.R. 164.308, the physical safeguards set forth at 45 C.F.R. 310, the technical safeguards set forth at 45 C.F.R. 164.312, and the policies and procedures set forth at 45 C.F.R. 164.316 to reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Customer. Aetna acknowledges that, effective the later of the Effective Date of this Appendix or February 17, 2010, (i) the foregoing safeguards, policies and procedures requirements shall apply to Aetna in the same manner that such requirements apply to Customer, and (ii) Aetna shall be subject to the civil and criminal enforcement provisions set forth at 42 U.S.C. 1320d-5 and 1320d-6, as amended from time to time, for failure to comply with the safeguards, policies and procedures requirements and any guidance issued by the Secretary from time to time with respect to such requirements.

(m) With respect to Electronic Protected Health Information, Aetna shall ensure that any subcontractors that create, receive, maintain, or transmit Electronic Protected Health Information on behalf of Aetna, agree to comply with the applicable requirements of Subpart C of 45 C.F.R. Part 164 by entering into a contract that complies with 45 C.F.R. Section 164.314.

(n) If Aetna conducts any Standard Transactions on behalf of Customer, Aetna shall comply with the applicable requirements of 45 C.F.R. Parts 160-162.

(o) Aetna acknowledges that, effective the later of the Effective Date of this Appendix or February 17, 2010, it shall be subject to the civil and criminal enforcement provisions set forth at 42 U.S.C. 1320d-5 and 1320d-6, as amended from time to time, for failure to comply with any of the use and disclosure requirements of this Appendix and any guidance issued by the Secretary from time to time with respect to such use and disclosure requirements.

(p) To the extent Aetna is to carry out one or more of Customer's obligation(s) under Subpart E of 45 CFR Part 164, Aetna shall comply with the requirements of Subpart E that apply to Customer in the performance of such obligation(s).

3. Permitted Uses and Disclosures by Aetna

3.1 General Use and Disclosure

Except as otherwise provided in this Appendix, Aetna may use or disclose Protected Health Information to perform its obligations under the Services Agreement, provided that such use or disclosure would not violate the Privacy and Security Rules if done by Customer or the minimum necessary policies and procedures of Customer.

3.2 Specific Use and Disclosure Provisions

(a) Except as otherwise provided in this Appendix, Aetna may use Protected Health Information for the proper management and administration of Aetna or to carry out the legal responsibilities of Aetna.

(b) Except as otherwise provided in this Appendix, Aetna may disclose Protected Health Information for the proper management and administration of Aetna, provided that disclosures are Required By Law, or Aetna obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential 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 notifies Aetna of any instances of which it is aware in which the confidentiality of the information has been breached in accordance with the Breach and Security Incident notifications requirements of this Appendix.

(c) Aetna shall not directly or indirectly receive remuneration in exchange for any Protected Health Information of an Individual without Customer's prior written approval and notice from Customer that it has obtained from the Individual, in accordance with 45 C.F.R. 164.508, a valid authorization that includes a specification of whether the Protected Health Information can be further exchanged for remuneration by Aetna. The foregoing shall not apply to Customer's payments to Aetna for services delivered by Aetna to Customer.

(d) Except as otherwise provided in this Appendix, Aetna may use Protected Health Information to provide data aggregation services to Customer as permitted by 45 C.F.R. 164.504(e)(2)(i)(B).

(e) Aetna may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. 164.502(j)(1).

4. *Obligations of Customer.*

4.1 Provisions for Customer to Inform Aetna of Privacy Practices and Restrictions

(a) Customer shall notify Aetna of any limitation(s) in its notice of privacy practices of Customer in accordance with 45 C.F.R. § 164.520, to the extent that such limitation(s) may affect Aetna's use or disclosure of Protected Health Information.

(b) Customer shall provide Aetna with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes affect Aetna's uses or disclosures of Protected Health Information.

(c) Customer agrees that it will not furnish or impose by arrangements with third parties or other Covered Entities or Business Associates special limits or restrictions to the uses and disclosures of its PHI that may impact in any manner the use and disclosure of PHI by Aetna under the Services Agreement and this Appendix, including, but not limited to, restrictions on the use and/or disclosure of PHI as provided for in 45 C.F.R. 164.522.

4.2 Permissible Requests by Customer

Customer shall not request Aetna to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy and Security Rules if done by Customer.

5. Term and Termination

(a) Term. The provisions of this Appendix shall take effect on the effective date of the Services Agreement, and shall terminate upon expiration or termination of the Services Agreement, except as otherwise provided herein.

(b) Termination for Cause. Without limiting the termination rights of the parties pursuant to the Services Agreement and upon either party's knowledge of a material breach by the other party, the non-breaching party shall either:

i. Provide an opportunity for the breaching party to cure the breach or end the violation, or terminate the Services Agreement, if the breaching party does not cure the breach or end the violation within the time specified by the non-breaching party, or

ii. Immediately terminate the Services Agreement, if cure of such breach is not possible.

(c) Effect of Termination.

The parties mutually agree that it is essential for Protected Health Information to be maintained after the expiration of the Services Agreement for regulatory and other business reasons. The parties further agree that it would be infeasible for Customer to maintain such records because Customer lacks the necessary system and expertise. Accordingly, Customer hereby appoints Aetna as its custodian for the safe keeping of any record containing Protected Health Information that Aetna may determine it is appropriate to retain. Notwithstanding the expiration of the Services Agreement, Aetna shall extend the protections of this Appendix to such Protected Health Information, and limit further use or disclosure of the Protected Health Information to those purposes that make the return or destruction of the Protected Health Information infeasible.

6. Miscellaneous

(a) Regulatory References. A reference in this Appendix to a section in the Privacy and Security Rules means the section as in effect or as amended, and for which compliance is required.

(b) Amendment. The Parties agree to take such action to amend this Agreement from time to time as is necessary for Customer and Aetna to comply with the requirements of the HIPAA Privacy Rule, the HIPAA Security Rule, the HITECH Act, and HIPAA, as amended.

(c) Survival. The respective rights and obligations of Aetna under Section 5(c) of this Appendix shall survive the termination of this Appendix.

(d) Interpretation. Any ambiguity in this Appendix shall be resolved in favor of a meaning that permits Customer to comply with the Privacy and Security Rules.

(e) No third party beneficiary. Nothing express or implied in this Appendix or in the Services 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.

(f) Governing Law. This Appendix shall be governed by and construed in accordance with the same internal laws as that of the Services Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

AETNA LIFE INSURANCE COMPANY

By: _____

Name :Michael S. Copeck

Title: Assistant Vice President and Actuary

WILLIAMSON COUNTY

By: _____

Name:

Title: