

**EXHIBIT B**  
**FORM OF ENSUING AGREEMENT – TO BE COMPLETED AND SIGNED**  
**PRIOR TO CONTRACT AWARD**

**CONSULTING AGREEMENT**

This Consulting Agreement ("Agreement") is made and entered into by and between WILLIAMSON COUNTY, TEXAS, a political subdivision of the State of Texas (the "County") AND **Holmes Murphy & Associates, LLC** (the "Consultant") for the provision of consultant services to County in relation to its Employee Health Benefit Plan.

**Article I - Recitals**

**Section 1.01 - Parties**

- A. County provides life, medical, dental, wellness, workers' compensation, and other related insurance or benefit coverage for their employees.
- B. Consultant is a consulting company doing business at **12712 Park Central Dr., Suite 100 Dallas, Texas 75251**.
- C. County desires to engage the services of the Consultant to perform the duties and functions set forth in this Agreement, and the Consultant desires to perform such duties for County, on the terms and conditions set forth herein.

**Section 1.02 - Purpose**

The parties enter into this Agreement in order to provide a full statement of their respective responsibilities. Except as otherwise set forth herein, this Agreement supersedes any and all other understandings or agreements between the parties, either oral or in writing, with respect to the subject matter hereof; any understanding, agreement, statement, or promise relating to the subject matter hereof that is not contained in this Agreement or an addendum hereto shall not be valid or binding.

**Article II - Rights and Obligations of Parties**

**Section 2.01 - Consultant**

County seeks to retain the Consultant as its advisor with respect to the matters specified in Section 2.06 of this Agreement.

**Section 2.02 - Independent Contractor**

The Consultant is and shall at all times be deemed to be an independent contractor and shall be wholly responsible for the manner in which the Consultant performs the services required of him

by the terms of this Agreement. Nothing herein, contained shall be construed as creating the relationship of employer and employee, or principal and agent, between County and the Consultant or any of the Consultant's agents or employees.

### **Section 2.03 - Competition**

So long as this Agreement remains in effect, the Consultant shall not, without the consent of County, accept any employment by, make financial investment in, become actively interested in, take part in the affairs of, or give advice and counsel to, any life, health, or accident insurance company that does any business with County.

### **Section 2.04 - Outside Services**

The Consultant may engage in, and be separately compensated for, any business or activity, so long as the service, investment, or activity does not violate the provisions of Section 2.03 of this Agreement or interfere with the services required to be provided by the Consultant to County under the terms of this Agreement.

### **Section 2.05 - Compensation**

The Consultant shall be paid by County for consulting services provided under this Agreement. During the term of this Agreement, the Consultant's fee for performing all services described under Section 2.06 below shall be EIGHTY THOUSAND AND NO/100 DOLLARS (\$80,000.00) annually or SIX THOUSAND SIX HUNDRED AND SIXTY-SIX AND 67/100 DOLLARS (\$6,666.67) per month. The Consultant shall invoice the County each month and the County shall pay such invoices as set forth herein below (See Section 4.17 - Payment, Interest and Late Payments).

### **Section 2.06 - Duties of Consultant**

The Consultant agrees to provide the following services:

#### **A. Brokering Services**

1. Develop long range employee/retiree benefit goals and strategies to meet the needs and objectives of County.
2. Work in coordination with County's Human Resources, Purchasing and Legal Staff to acquire third party administrator contracts during the RFP process and/or at any time during the term of this Agreement and ensure that the County's best interests are protected and vendor performance is guaranteed.
3. Assist in the soliciting of competitive bids from benefit plan vendor markets that specialize in group benefit plans and evaluate vendor bids/proposals and provide a written assessment based on County's selection criteria and timeframe. The written assessment must also include transition impacts, if applicable.
4. Assist County in negotiations with vendors to obtain the best possible values for the services described in this Agreement, to include negotiating all insurance renewals.

5. Evaluate vendor's proposed contracts to ensure appropriate compliance and liability.
6. Participate in the development, negotiation and implementation with health benefit providers and administrators on matters such as, but not limited to, premium rates, service, benefit levels, plan design, special terms and conditions, etc., and negotiate changes and additions to contracts.

B. Benefit Program Design

1. Provide benefits information to enable County to make effective decisions in developing an overall Employee Benefits Program that is comprehensive and meets established objectives with respect to cost and competitiveness with the goal of attracting and retaining employees.
2. Assist in the administration, design and implementation of new and existing benefit programs, and analyze the effectiveness of programs and offer creative solutions to problems.
3. Analyze claim experience/financial development for all benefit programs and provide benefits plan benchmarking, market analysis and best practices analysis.
4. Recommend specific alternative benefit plan designs, delivery systems, funding and communication methods as dictated by environmental/regulatory changes and emerging technologies.
5. Provide financial reports that support recommendations to include financial analysis and actuarial projections.
6. Assist County to strategically anticipate and implement any options developed to reduce future market trends.

C. Plan Performance and Reporting

1. Analyze claim experience/financial development for all benefit programs.
2. Track and report progress of benefit plans on a quarterly basis, coordinating with benefit providers to obtain relevant performance data.
3. Provide analysis of benefit plan performance, e.g. Health Care Plan – Premiums vs. Claims.
4. Identify key cost drivers of medical plan and provide solutions to reduce cost impact.
5. Provide cost projections based on financial performance of plan for forecasting and budgeting, cash flow analysis and estimates of renewal rates.
6. Identify excessive or problematic utilization patterns and assist in developing a strategy to reduce the impact of these costs.
7. Provide an annual review and summary of employee/retiree benefits including analysis of the quality of benefits provided, cost effectiveness, competitiveness and recommendations.

D. Regulatory Compliance

1. Review the Benefits Program on a continuous basis to ensure that the Plans are in compliance with government regulations and mandates.

2. Provide consultation and guidance with respect to all aspects of Healthcare Reform legislation and compliance.

E. Vendor Performance and Reporting

1. Provide monthly and annual reports to County. Reports must illustrate individual claims and total claims, attachment points, surplus/deficit and enrollment data.
2. Attend periodic management, Benefit Committee and employee meetings to facilitate and assist in the management of the County's health benefit plans and programs.
3. Advise on a continuing basis and in a timely manner any and all significant matters and developments regarding the progress of vendor service issues.
4. Regularly monitor and evaluate performance measures and guarantees for providers.
5. Enforce established vendor performance guarantees.
6. Resolve vendor performance concerns.

F. Claims Audits

1. Perform period vendor claims audits to ensure payment accuracy, reduce administrator errors and claim oversights.

G. Open Enrollment

1. Provide open enrollment support, including, but not limited to, assisting with the development of open enrollment materials and coordinate and participate in open enrollment meetings as reasonably requested.

H. Customer Service

1. Be available Monday through Friday during regular business hours to provide day to day consultation, research and responses on matters such as, but not limited to, plan interpretation, claims, billing and other matters that may arise during the normal course of business for County.
2. Provide call documentation, resolution and a reporting system.

I. Communications

1. Assist in the development, preparation, and review of County's benefits program communications materials to include benefit plan documents, Annual Benefit Guide newsletters, booklets, SPD's and all other communication for accuracy, content and compliance.
2. Advise and assist County annually, during open enrollment and as regulatory changes occur on all benefit plan communications.
3. Assist County in developing a comprehensive Benefit Plan communication infrastructure utilizing existing and emerging technologies encompassing

communication between County and vendors, County and employees and Employee Self Service (ESS).

**J. Wellness, Disease Management and Preventative Care Programs**

1. Implement programs to address chronic conditions.
2. Implement wellness programs to proactively increase health awareness and behavior modification.

**K. Other Services**

1. Provide any and all services set forth in County's Request for Proposals for Health Related Benefits Broker/Consultant for Williamson Count – RFP# 1604-069, as well as any services set forth in the Proposal submitted by Consultant in response to said Request for Proposals.

The above described services of Consultant shall cover all of the County's health benefit plans. Any other services not specifically described above must be approved by both parties.

**Section 2.07 – Performance Guarantees**

The Consultant hereby agrees to comply with the Performance Guarantees set forth in Exhibit "A", which is attached hereto and incorporated herein for all purposes.

**Article III - General Provisions**

**Section 3.01 - Term**

The initial term of this Agreement shall commence on January 1, 2017 and continue thereafter until December 31, 2019, subject to the provisions of Section 3.02 of this Agreement. The term of this Agreement may be extended by mutual agreement of both parties. If the parties agree to extend this Agreement, such extension will be in twelve (12) month increments for up to an additional twenty-four (24) months, with the terms and conditions of this Agreement remaining the same. The total period of this Agreement, including all extensions, will not exceed a maximum combined period of sixty (60) months. The extension of this Agreement is contingent on the appropriation of necessary funds by County for the fiscal year in question.

**Section 3.02 - Termination**

This Agreement shall terminate upon the occurrence of any of the following events:

- a. The dissolution or liquidation of County's insurance trust;
- b. A breach by the Consultant of any of the terms, conditions or covenants under this Agreement;

- c. Ninety (90) days written notice by either party.

In the event of termination by County, the Consultant shall cease all work for County under this Agreement upon receipt of the written notice unless instructed in writing by County to do otherwise.

### **Section 3.03 - Payment on Termination**

In the event of termination of this Agreement pursuant to Section 3.02 (a) or (c), the Consultant shall be entitled to compensation at the rate specified in Section 2.02 prorated up to the date of termination provided the Consultant is not then in breach of any of the terms, conditions or covenants under this Agreement.

### **Section 3.04 - Confidentiality**

Subject to the requirements of the Public Information Act, Chapter 552.001 et seq. of the Texas Government Code, the Consultant covenants and agrees that Consultant shall not, at any time during the term of this Agreement, directly or indirectly, divulge or disclose for any purpose whatsoever, any information concerning County that has been developed for County by the Consultant, or obtained by him for County, or disclosed to him by County, as a result of the performance of Consultant's work, duties, and obligations under this Agreement to the extent allowed by law. It is agreed that the provisions of this Section 3.04 shall be applicable and enforceable, unless the terms and conditions of this Section 3.04 are expressly waived on behalf of County and reduced to an instrument in writing signed by County.

## **Article IV - Miscellaneous**

### **Section 4.01 – Construction; Severability**

This Agreement shall be construed in accordance with the laws of the State of Texas. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligation of the parties shall be construed and enforced in accordance therewith. The parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is the desire and intention of each that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.

### **Section 4.02 - Paragraph Headings**

All paragraph headings in this Agreement are inserted for convenience only.

#### **Section 4.03 - Successors in Interest**

This Agreement shall be binding upon, and inure to the benefit of, the successors in interest and permitted assigns of the parties hereto.

#### **Section 4.04 - Notice**

Any notice to be given hereunder shall be in writing and may be affected by personal delivery, in writing or by registered or certified mail, return receipt requested, addressed to the proper party, at the following address:

CONSULTANT:

Holmes Murphy & Associates, LLC.  
12712 Park Central Dr., Suite 100  
Dallas, TX 75251

COUNTY:

Williamson County  
c/o: Shelley M. Loughrey, PHR  
Director of Benefits Administration  
Williamson County Human Resources  
Human Resources Department  
301 S.E. Inner Loop, Suite 108  
Georgetown, Texas 78626

Office of the Williamson County Judge  
710 Main St. Ste. 200  
Georgetown, Texas 78626

#### **Section 4.05 – Good Faith**

Consultant agrees to act in good faith in the performance of this agreement.

#### **Section 4.06 – Mediation**

Consultant and County will first attempt to resolve any disputes under this agreement through mediation prior to pursuing any claims via litigation.

#### **Section 4.07 – Performance; Venue and Governing Law**

This Agreement shall be performed in Williamson County, Texas. Each party to this Agreement hereby agrees and acknowledges that venue and jurisdiction of any suit, right, or cause of action arising out of or in connection with this Agreement shall lie exclusively in either Williamson County, Texas, and the parties hereto expressly consent and submit to such jurisdiction and venue. Furthermore, except to the extent that this Agreement is governed by the laws of the United States, this Agreement shall be governed by and construed in accordance with the laws of the State of Texas, excluding, however, its choice of law rules.

#### **Section 4.08 - Assignment**

This Agreement may not be assigned without the written consent of all parties.

#### **Section 4.09 - Reference to Parties**

When referring to the Consultant, it shall refer to and be binding upon the Consultant named herein, its predecessors, successors, permitted assigns, heirs, executors, administrators, legal representative and all other persons, firms, or corporations in privity with Consultant.

#### **Section 4.10 – Incorporation of Request for Proposals**

The parties hereto agree that the terms and conditions of County's Request for Proposals for Health Related Benefits Broker/Consultant for Williamson Count – RFP#1604-069 and its Addenda; as well as the Consultant's Proposal in response to said RFP shall be incorporated herein by reference for all purposes. In the event a dispute or conflict arises between (1) terms and conditions of this Agreement, (2) the above reference RFP, and its Addenda; and (3) the Respondent's Proposal, applicable documents will be referred to for the purpose of clarification, conflict resolution or for additional detail in the following order of precedence: (1) terms and conditions of this Agreement and its Addenda, (2) the above reference RFP and its Addenda; and (3) the Consultant's Proposal.

#### **Section 4.11 - Force Majeure**

If the party obligated to perform is prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of said party, the other party shall grant such party relief from the performance of this Agreement. The burden of proof for the need of such relief shall rest upon the party obligated to perform. To obtain release based on force majeure, the party obligated to perform shall file a written request with the other party.

#### **Section 4.12 - Indemnification of County**

CONSULTANT SHALL INDEMNIFY, DEFEND, PROTECT, AND SAVE HARMLESS WILLIAMSON COUNTY, ITS OFFICIALS AND EMPLOYEES AND ITS AGENTS AND AGENTS' EMPLOYEES FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LIABILITY, LOSS, DAMAGE, REASONABLE ATTORNEY'S FEES, COSTS, AND EXPENSES (INCLUDING, BUT NOT LIMITED TO EXPENSES RELATED TO EXPERT WITNESSES) OF ANY KIND WHATSOEVER, TO THE EXTENT ARISING FROM ANY NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT OR ANY OF ITS EMPLOYEES AND ITS AGENTS AND AGENTS' EMPLOYEES IN CONNECTION WITH THE PERFORMANCE OF SERVICES UNDER THIS AGREEMENT.

#### **Section 4.13 - Compliance with Laws**

Each party to this Agreement shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without

limitation, Worker's Compensation laws, salary and wage statutes and regulations, licensing laws and regulations.

#### **Section 4.14 - Entity Status**

By Consultant's signature below, I certify that Consultant is a **corporation**, duly authorized to transact and do business in Williamson County, Texas.

#### **Section 4.15 - No Waiver of Immunities**

Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to County, its past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. County does not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

#### **Section 4.16 - No Waiver**

The failure or delay of any party to enforce at any time or any period of time any of the provisions of this Agreement shall not constitute a present or future waiver of such provisions nor the right of either party to enforce each and every provision. Furthermore, no term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether expressed or implied, shall not constitute a consent to, waiver of or excuse for any other, different or subsequent breach.

#### **Section 4.17 - County's Right to Audit**

Consultant agrees that County or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of Consultant which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Consultant agrees that County shall have access during normal working hours to all necessary Consultant facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. County shall give Consultant reasonable advance notice of intended audits.

#### **Section 4.18 - Appropriation of Funds by County**

County believes it has sufficient funds currently available and authorized for expenditure to finance the costs of this Agreement. Consultant understands and agrees that the County's payment of amounts under this Agreement is contingent on the County receiving appropriations or other expenditure authority sufficient to allow the County, in the exercise of reasonable administrative discretion, to continue to make payments under this Agreement.

#### **Section 4.19 - Payment, Interest and Late Payments**

County's payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. Invoices shall be paid by County within thirty (30) days from the date of the Williamson County Auditor's receipt of an invoice. Interest charges for any late payments shall be paid by County in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of County's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday. In the event that a discrepancy arises in relation to an invoice, such as an incorrect amount on an invoice or a lack of documentation that is required to be attached to an invoice to evidence the amount claimed to be due, County shall notify Consultant of the discrepancy. Following County's notification of any discrepancy as to an invoice, Consultant must resolve the discrepancy and resubmit a corrected or revised invoice, which includes all required support documentation, to the Williamson County Auditor. County shall pay the invoice within thirty (30) days from the date of the Williamson County Auditor's receipt of the corrected or revised invoice. County's payment of an invoice that contains a discrepancy shall not be considered late, nor shall any interest begin to accrue until the thirty-first (31<sup>st</sup>) day following the Williamson County Auditor's receipt of the corrected or revised invoice.

#### **Section 4.20 - Texas Public Information Act**

To the extent, if any, that any provision in this Agreement is in conflict with Tex. Gov't Code 552.001 et seq., as amended (the "Public Information Act"), the same shall be of no force or effect. Furthermore, it is expressly understood and agreed that County, its officers and employees may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act to any items or data furnished to County as to whether or not the same are available to the public. It is further understood that County's officers and employees shall have the right to rely on the advice, decisions and opinions of the Attorney General, and that County, its officers and employees shall have no liability or obligation to any party hereto for the disclosure to the public, or to any person or persons, of any items or data furnished to County by a party hereto, in reliance of any advice, decision or opinion of the Attorney General of the State of Texas.

#### **Section 4.21 - Entire Agreement**

This Agreement represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either oral or written. This Agreement may be amended only by written instrument signed by each party to this Agreement. NO OFFICIAL, EMPLOYEE, AGENT, OR REPRESENTATIVE OF THE COUNTY HAS ANY AUTHORITY, EITHER EXPRESS OR IMPLIED, TO AMEND THIS AGREEMENT, EXCEPT PURSUANT TO SUCH EXPRESS AUTHORITY AS MAY BE GRANTED BY THE WILLIAMSON COUNTY COMMISSIONERS COURT.

In Witness Whereof, the parties hereto have duly executed this Agreement to be effective as of the last party's execution hereof.

Holmes Murphy & Associates, LLC

By: 

Title: COO-Dallas

Date: 11-14-16

**WILLIAMSON COUNTY, TEXAS,  
a political subdivision of the State of  
Texas**

By:   
Dan A. Gattis, County Judge

Date: 12-01-16

## BUSINESS ASSOCIATE CONTRACT

This Business Associate Contract ("Agreement") is entered into by and between \_\_\_\_\_ ("Covered Entity") and **Holmes, Murphy and Associates, LLC** ("**Business Associate**") effective as of the 14 day of November, 2016.

WHEREAS, Covered Entity is a group health plan as defined in the administrative simplification provisions within the Health Insurance Portability and Accountability Act of 1996 (HIPAA Privacy and Security Rules).

WHEREAS, Business Associate is an insurance broker that provides consulting services to plan sponsors and group health plans on matters related to employee benefits.

WHEREAS, pursuant to the terms of a Consulting Services Agreement between Covered Entity and Business Associate (the "Consulting Services Agreement"), Business Associate has been retained by the Covered Entity and/or broker to perform a function or activity on behalf of the Covered Entity that requires that the Business Associate have access to Protected Health Information (PHI).

WHEREAS, Covered Entity desires to receive satisfactory assurances from the Business Associate that it will comply with the obligations required of business associates by the HIPAA Privacy and Security Rules.

WHEREAS, the parties wish to set forth their understandings with regard to the use and disclosure of PHI by the Business Associate in performance of its obligations.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the parties hereby agree as follows:

### A. DEFINITIONS

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Privacy, Security, Breach Notification and Enforcement Rules at 45 CFR Part 160 and 164. In the event a word or phrase shall have been assigned conflicting meanings in the HIPAA Rules, the Consulting Services Agreement and/or this Agreement, the meaning set forth in the HIPAA Rules shall control with respect to any use or disclosure of PHI. If meanings assigned in the Consulting Services Agreement conflict with this Agreement, the meaning set forth in this Agreement shall control with respect to use and disclosure of PHI.

### B. USE AND DISCLOSURE OF PHI

Covered Entity hereby grants Business Associate permission to use, disclose, and request from third parties PHI on behalf of Covered Entity or an organized health care arrangement in which the Covered Entity is a member in order to:

1. Perform or assist in performing a function or activity that involves the creation, receipt, transmission or maintenance of PHI, including, but not limited to, claims processing or administration, data analysis, utilization review, quality assurance, billing, benefit management, practice management, repricing, renewal or replacement of a contract, conducting planning-related analysis related to managing the employee benefit plans, and customer service.

2. Assist the Covered Entity's other business associates retained to provide legal advice, accounting, actuarial, consulting, data aggregation, management, administration, accreditation, or financial services to the Covered Entity or to an organized health care arrangement in which the Covered Entity participates.
3. Allow Business Associate to properly manage and administer the Business Associate's organization or to carry out the legal responsibilities of the Business Associate.
4. Perform functions, activities, or services for, or on behalf of, Covered Entity as specified above, except as otherwise limited by this Agreement or if such use or disclosure would violate the HIPAA Privacy or Security Rules if done by the Covered Entity.

### **C. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

1. Use and Disclosure of PHI. Business Associate shall not use or further disclose PHI other than as permitted by this Agreement or as required by law. To the extent practicable, Business Associate shall limit its use or disclosure of PHI or requests for PHI to a limited data set, or if necessary, to the minimum necessary to accomplish the intended purpose of such use, disclosure or request.
2. Safeguards. Business Associate shall use appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this Agreement, including establishing procedures that limit access to PHI within its organization to those employees with a need to know the information. Business Associate agrees that it will implement appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of electronic PHI that it creates, receives, maintains or transmits on behalf of the Covered Entity, as required by the HIPAA Security Rule.

Business Associate acknowledges that the requirements of 45 CFR Sections 164.308, 164.310 and 164.312 applicable to such administrative, physical and technical safeguards apply to Business Associate in the same manner that such sections apply to Covered Entity. Further, Business Associate shall implement, and maintain in written form, reasonable and appropriate policies and procedures to comply with the standards, implementation specifications or other requirements of the HIPAA Security Rule, in accordance with 45 CFR Section 164.316, which applies to Business Associate in the same manner that such section applies to Covered Entity.

3. Unauthorized Disclosures of PHI. Business Associate shall, within fifteen (15) business days of becoming aware of a disclosure of PHI in violation of this Agreement by Business Associate, its officers, directors, employees, contractors, or agents or by a third party to which Business Associate disclosed PHI (including a subcontractor), report to Covered Entity any such disclosure. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of the unauthorized disclosure.

This section shall also apply to any breach of unsecured PHI, as defined by the applicable regulations. Notice of any such breach shall include the identification of any individual whose unsecured PHI has been, or is reasonably believed by Business Associate, to have been accessed, acquired or disclosed during such breach and any other information required by the applicable regulations.

4. Security Incidents. Business Associate shall promptly report to Covered Entity any Security Incident of which it becomes aware, in accordance with the HIPAA Security Rule.
5. Agreements With Third Parties. Business Associate agrees to ensure that any agents and subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate with respect to Business Associate's relationship with Covered Entity agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such information.

6. Access to Information. Within fifteen (15) business days of a request by the Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to the Covered Entity such PHI for so long as such information is maintained in a Designated Record Set and in accordance with the requirements of 45 CFR Section 164.524. In the event any individual requests access to PHI directly from the Business Associate, Business Associate shall forward the request for PHI to Covered Entity within five (5) business days.
7. Availability of PHI for Amendment. Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR Section 164.526 at the request of the Covered Entity or an individual, and in the time and manner designated by Covered Entity.
8. Inspection of Books and Records. Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to the Covered Entity, or at the request of the Covered Entity, to the Secretary of the U.S. Department of Health and Human Services or its designee (the "Secretary"), in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with HIPAA.
9. Accounting of Disclosures. Business Associate agrees to maintain and make available to the Covered Entity an accounting of disclosures of PHI as would be required for Covered Entity to respond to a request by an individual made in accordance with 45 CFR Section 164.528. Business Associate shall provide an accounting of disclosures made during the six (6) years prior to the date on which the accounting is requested (or during the three (3) years prior to the date the accounting is requested for PHI maintained in an electronic health record, beginning on the applicable effective date pursuant to the American Recovery and Reinvestment Act of 2009). At a minimum, the accounting of disclosures shall include the following information:
  - a. Date of disclosure,
  - b. The name of the person or entity who received the PHI, and if known, the address of such entity or person,
  - c. A brief description of the PHI disclosed, and
  - d. A brief statement of the purpose of such disclosure which includes an explanation of the basis of such disclosure.

In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall forward the request to Covered Entity within five (5) business days. Business Associate agrees to implement an appropriate recordkeeping process to enable it to comply with the requirements of this section.
10. Remuneration in Exchange for PHI. Effective September 23, 2013, the effective date of the final HIPAA regulations pursuant to the American Recovery and Reinvestment Act of 2009, Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI without a valid authorization permitting such remuneration, except as permitted by law.

#### **D. OBLIGATIONS OF COVERED ENTITY**

1. Covered Entity shall comply with each applicable requirement of the HIPAA Privacy, Security, Breach Notification and Enforcement Rules.
2. Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR Section 164.520, and shall provide Business Associate a revised notice within fifteen (15) business days of any changes or revisions to such notice.

3. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures within fifteen (15) business days of notice from the individual of the same.
4. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR Section 164.522 within fifteen (15) business days of agreeing to such restriction.

#### **E. PERMISSIBLE REQUESTS BY COVERED ENTITY**

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under HIPAA if done by the Covered Entity.

#### **F. TERMINATION**

1. Term. The term of this Agreement shall begin on the Effective Date and shall remain in effect until terminated under Section F (2) of this Agreement.
2. Termination. This Agreement shall be terminated only as follows:
  - a. Termination for Cause by Covered Entity  
This Agreement may be terminated by the Covered Entity upon fifteen (15) business days written notice to the Business Associate in the event that the Business Associate breaches any provision of this Agreement and such breach is not cured within such fifteen (15) days period.
  - b. Termination for Cause by Business Associate  
This Agreement may be terminated by the Business Associate upon fifteen (15) business days written notice to the Covered Entity in the event that the Covered Entity breaches any provision of this Agreement and such breach is not cured within such fifteen (15) days period.
  - c. Termination Due To Change in Law  
Either party may terminate this Agreement effective upon thirty (30) days advance written notice to the other party in the event that the terminating party has sought amendment of this Agreement pursuant to Paragraph G (1) and no amendment has been agreed upon.
  - d. Termination Without Cause  
Either may terminate this Agreement effective upon ninety (90) days advance written notice to the other party given with or without any reason.
  - e. Termination Due to Termination of Consulting Services Agreement.  
This Agreement shall automatically terminate without any further action upon termination or expiration of this Agreement.
3. Return or Destruction of PHI  
Upon termination of this Agreement, Business Associate shall return or destroy all PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of Covered Entity that the Business Associate maintains in any form. Business Associate shall retain no copies of the PHI.  
Notwithstanding the above, to the extent that the Business Associate determines that it is not feasible to return or destroy such PHI, the terms and provisions of Paragraphs A, B, C and D shall survive termination of this Agreement and such PHI shall be used or disclosed solely for such purpose or purposes which prevented the return or destruction of such PHI for as long as Business Associate maintains such PHI.

**G. GENERAL PROVISIONS**

1. Amendment. This Agreement may be amended only by the mutual written agreement of the parties. The parties agree to take such action to amend this Agreement from time to time as is necessary for the Covered Entity or Business Associate to comply with the requirements of HIPAA.
2. Indemnification; Limitation of Liability. Business Associate shall release, indemnify and hold Covered Entity harmless from and against any claims, fees, and costs, including, without limitation, reasonable attorneys' fees and costs, which are related to Business Associate's failure to perform its obligations under this Agreement; provided, however, that Business Associate's total liability to Covered Entity shall not exceed a sum that is equal to the last twelve (12) months' of revenue received by Business Associate from Covered Entity. Covered Entity shall release, indemnify and hold Business Associate harmless from and against any claims, fees, and costs, including without limitation, reasonable attorneys' fees and costs, which are related to Covered Entity's alleged improper use or disclosure of PHI or other breach of this Agreement.
3. Remedies. The parties acknowledge that breach of Paragraphs B, C, D or E of this Agreement may cause irreparable harm for which there is no adequate remedy at law. In the event of a breach, or if either party has actual notice of an intended breach, such party shall be entitled to a remedy of specific performance and/or injunction enjoining the other party from violating or further violating this Agreement. The parties agree the election of the party to seek injunctive relief and or specific performance of this Agreement does not foreclose or have any effect on any right such party may have to recover damages.
4. Survival. The respective rights and obligations of Business Associate and Covered Entity shall survive termination of this Agreement according to the terms hereof.
5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas.
6. Assigns. Neither this Agreement nor any of the rights, benefits, duties, or obligations provided herein may be assigned by any party to this Agreement without the prior written consent of the other party.
7. Third Party Beneficiaries. Nothing in this Agreement shall be deemed to create any rights or remedies in any third party.
8. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Covered Entity and/or Business Associate, as applicable, to comply with HIPAA. In the event a provision of this Agreement conflicts with the terms of the Consulting Services Agreement, the terms of this Agreement shall control with respect to issues concerning the use and disclosure of PHI and the parties' respective obligations, rights and remedies related to the same.
9. Notices. Any notice given under this Agreement must be in writing and delivered via first class mail, via reputable overnight courier service, or in person to the parties' respective addresses as first written above or to such other address as the parties may from time to time designate in writing.

IN WITNESS WHEREOF, the undersigned have executed this Agreement.

“COVERED ENTITY”

\_\_\_\_\_

“BUSINESS ASSOCIATE”

**HOLMES, MURPHY and ASSOCIATES, LLC**

By \_\_\_\_\_

Its \_\_\_\_\_

Address \_\_\_\_\_

*County Judge*

By \_\_\_\_\_

Its \_\_\_\_\_

Address: 3001 Westown Parkway

West Des Moines, Iowa 50266

*COO - Valley*

## EXHIBIT "A"

### PERFORMANCE GUARANTEES

#### **Consultant Advisory Line:**

Inquiry Guarantee: 30% of Monthly Retainer\*\*

Consultant guarantees that it will respond to 95% of all phone and email inquiries within 1 business day (all holidays excluded); 2 business days (all holidays excluded) for all mail and fax inquiries\*:

- Respond to phone, fax, email and mail inquiries regarding all Williamson County's benefit plans (Medical, Dental, Flex, Life, Disability and Vision).

*\* All emails, phone messages and faxes received Monday – Thursday will be acknowledged within 1 business day. All emails, phone messages, and faxes received on Friday/holiday will be acknowledged the next business day. A response is defined as any effort made to acknowledge the receipt of the inquiry. Leaving a voice message on a member's voice mail or replying to an email will constitute, but is not limited to, a response. Actual resolution to any problem or inquiry is dependent on efforts by third parties for which Consultant has no control and is not included in this Guarantee.*

Inquiry Resolution Guarantee: 20% of Monthly Retainer\*\*

Consultant will work diligently to get a resolution to Claim Problems as submitted by the Benefit Administrator as quickly as reasonably possible.

#### **Williamson County Meeting Attendance:**

30% of Monthly Retainer\*\*

- Attend all Williamson County Health Benefits Committee Meetings
- Attend all Williamson County Commissioners Court Meetings when Benefits are being discussed as agreed upon in advance. All other meetings will be attended on a best effort basis with 48 hours advance notice.

#### **Financial Services and Reporting Guarantee:**

20% of Monthly Retainer\*\*

Consultant will guarantee that all reasonable steps will be taken to assist the County with financial projections based on known factors at the time of the projections. Consultant will provide the County with written financial projections that reflect the current cost factors of the plan at the time with any applicable caveats that must be included in the calculation of this Guarantee. All of Consultant's projections are based on information provided by third party vendors and the accuracy of that information is beyond our control and cannot be included in this Guarantee. Consultant will guarantee that our funding projections will not exceed our estimates within acceptable

standards (10%). All caveats will be presented at the time of the projections. Consultant will provide a detailed financial report to include the calculation and financial reporting method utilized for the financial projections.

Consultant reserves the right to caveat any and all financial assumptions at the time of the reported assumptions based on the unknown and potential risk factors of the plan at the time of the reporting. Consultant cannot be liable for unreported factors or changes by third party vendors of the County. The County acknowledges that certain plan factors are beyond our control and may not be included in this guarantee. Such factors include, but are not limited to, the following:

- Large claim activity as defined by industry standard of 2.5 per 1,000 lives on the plan.
- Material changes in census as defined by a change of more than 10%.
- Errors in the administration of the plans from third party vendors or financial changes from third party vendors (e.g. the loss of specific providers from a vendor, PPO network, changes in network discounts and other third party factors beyond the control of Consultant.)
- Legislative Changes

Consultant's reporting to the County will reflect the financial situation of the plans at that time based on all reporting provided to Consultant. The County acknowledges that all financial assumptions and projections provided by Consultant are directly determined by the reporting provided by third party vendors like Aetna or other Third Party Healthcare. Consultant is not responsible if the information provided by the third party vendors is not accurate nor any projections made on such data. The accuracy of all data used by Consultant will have a material effect on our projections and analysis. Consultant will provide all Actuary Reporting that Consultant completes on behalf of Williamson County.

Note: 5% of costliest members are excluded from the calculation of this metric

***The Financial Guarantees in regards to the Monthly Retainer will apply to each specific month in which a potential incident occurs.***

*JSB*

*11-14-16*